National Film Board of Canada

For the year ended March 31, 2007

Performance Report

The Honourable Josée Verner, P.C., M.P.
Minister of Canadian Heritage, Status of Women
And Official Languages

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SECTION I – Overview

Minister of Canadian Heritage,
Status of Women and Offiical Languages

Ministre du Patrimoine canadien,
de la Condition féminine et des Langues officielles

Ottawa, Canada K1A 0M5

Minister's Message

Being awarded its twelfth Oscar, last February, for the animated short film, *The Danish Poet*, allowed the National Film Board (NFB) to end the 2006–2007 fiscal year on a positive note and confirmed the artistic excellence of the Canadian cultural and cinematographic scene before an international audience. Over the course of the year, numerous artists and creators from across the country have earned awards for the exceptional quality of their work, both in Canada and abroad.

An important Canadian audiovisual organization, the NFB played as essential a role in 2006–2007 as it did at the time of its creation, in 1939. As a producer and public distributor in Canada, the NFB reflects the values and points of view that are dear to Canadians by offering innovative and original audiovisual productions. In addition, the NFB makes use of new production methods and new distribution platforms to reach multiple regional, cultural, and linguistic communities throughout the country.

As Minister of Canadian Heritage, Status of Women and Official Languages, I am pleased to present the *Departmental Performance Report* for the National Film Board, which outlines its many achievements for the year 2006–2007. This report demonstrates the unique and important role the NFB plays as a member of the Canadian Heritage Portfolio in helping to shape and strengthen our identity as Canadians.

The Honourable Josée Verner, P.C., M.P.

Canada

Government Film Commissioner's Message

If you were to ask members of the Canadian public at large to sum up the National Film Board of Canada's activities for 2006-2007, a frequent response would likely be that the greatest accomplishment of the last year was the Oscar® for the short animation *The Danish Poet*. For many, earning an Academy Award® nomination, and subsequently receiving the golden statuette itself, represents the pinnacle of success in the film world. It was, of course, an honour to earn a 69th Oscar® nomination – a record number for a non-Hollywood production house – and to be awarded a twelfth Oscar®. But the true measure of our success is greater than the many honours our films have received. It is the impact of our audiovisual works, our initiatives and our programs on the daily lives of Canadians, as well as on the national and international film scenes.

We see the NFB at its best when it inspires concrete action. Take, for example, the more than 750,000 young students who took up the *Weight of the World Challenge* to fight obesity, after seeing our film *The Weight of the World*. Or look at the young Toronto mothers who have experienced homelessness, and who – through their involvement with the NFB's *Filmmaker in Residence I WAS HERE* project – presented Toronto's mayor with an action plan to help young parents who have no fixed address. By combining social and creative action, the NFB is successfully meeting the challenge of understanding and raising awareness of Canada's social and cultural realities, and of spreading our values. At the last Banff Television Festival, I gave a presentation to members of the Canadian audiovisual industry on the various innovative community-based projects undertaken by the NFB. A comment made by one of those in attendance bears noting: "This is exactly what the NFB should be doing!"

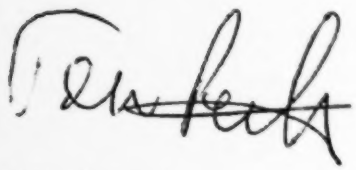
Through the medium of film, the National Film Board of Canada has always been concerned with giving Canadians the means to tackle the key issues facing their communities. Socially engaged cinema has been in the NFB's genes since its earliest days. Many of the projects we have undertaken over the past few years are perfectly aligned with the creative vision present from the Board's earliest days. This has always been an institution whose goal has been not only to release daring, innovative, and relevant audiovisual works, but also to ensure those films are used to encourage citizen engagement from coast to coast. The Challenge For Change / Société Nouvelle program of the 1970s and 1980s has inspired recent NFB projects like the Web sites *CitizenShift / Parole Citoyenne* – a platform for community-based and socially engaged media production – and the *Filmmaker in Residence* program, which aims to bring various communities together and to put media creation tools in the hands of Canadians. We have a number of programs aimed specifically at people with disabilities, Aboriginals and members of various cultural communities. These programs reflect our commitment to ensuring that everyone, regardless of their background, has the opportunity to ensure that their voice is heard. Similarly, many NFB films have helped give Canadian filmmakers and audiences the opportunity to create and share their stories on screen.

Today, new technologies are allowing the NFB greater public presence, and letting us better serve the many communities that make up Canadian society, through multiple avenues. By laying the foundations that will allow the NFB to make use of new production technologies and broadcast platforms for its innovative and cutting-edge projects, we are ensuring that our audiovisual productions will remain relevant and accessible to all communities throughout

Canada. The NFB intends to remain as important a player in the digital age as it was in the days when travelling projectionists went from town to town holding public screenings.

In closing, I would like to offer my warmest thanks to Mr. Jacques Bensimon, who served from 2001 to 2006 as the 14th Government Film Commissioner and Chairperson of the NFB. Jacques' extraordinary vision and leadership brought new and dynamic energy to the Board's creation of new audiovisual works. I would also like to draw attention to the excellent work of Mr. Claude Joli-Coeur, who served as interim Commissioner from December 2006 to June 2007. His dedication to the Board and his passion for the world of Canadian film contributed to the smooth unfolding of this institution's activities between the time of Mr. Bensimon's departure and my taking over the reins.

For more than 65 years, the NFB has been a leading institution in the world of Canadian film – with an enviable international reputation – thanks to the passion, creativity, and professionalism of our employees and our partners. Today's NFB remains home to the same spirit of innovation and the avant-garde as in the time of its pioneers. This spirit ensures the National Film Board will remain a unique home for creativity in the service of all Canadians.



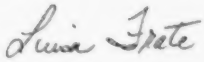
Tom Perlmutter
Government Film Commissioner and
Chairperson of the National Film Board of Canada

Management Representation Statement

I submit, for tabling in Parliament, the 2006-2007 Departmental Performance Report (DPR) for the National Film Board of Canada.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2006–2007 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- It is based on the department's approved Strategic Outcome(s) and Program Activity Architecture that were approved by the Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.



Name: Luisa Frate, c.a.

Title: Director, Administration Branch

Summary Information

NFB's Overview

Mandate – The National Film Board of Canada's mandate is *"to initiate and promote the production and distribution of films in the national interest and, in particular,*

- *to produce and distribute and to promote the production and distribution of films designed to interpret Canada to Canadians and to other nations;*
- *to engage in research in film activity and to make the results available to film producers;*
- *to advise the Governor in Council in connection with film activities; and*
- *to discharge such other duties relating to film activity as the Governor in Council may direct the Board to undertake."*

Mission – The National Film Board of Canada's mission, as stated in the 2002-2006 Strategic Plan, is "*to produce and distribute distinctive, culturally diverse, challenging and relevant audiovisual works that provide Canada and the world a unique Canadian perspective.*"

The NFB is an integrated production and distribution organization with an extensive film collection, a conservation laboratory, and postproduction and research and development facilities located at its operational headquarters in Montreal. Its Government Relations service operates from Ottawa, while its Marketing and Communications, Distribution, Business Affairs and Legal Services, Strategic Planning and Government relations, Human Resources, and Administration branches are principally located in Montreal.

The NFB is a unique centre for the creation of audiovisual works. NFB films are produced in both official languages. The NFB maintains production facilities in Vancouver, Edmonton, Winnipeg, Toronto, Montreal, Moncton and Halifax, a production office in Quebec City and two viewing centres, one in Montreal and the other in Toronto.

Benefits to Canadians and to the World

In *Canada's Performance 2006*, the Government of Canada reported that *"Canadians value a strong Canadian culture and call on the government to ensure that, despite our small market and vast geography, conditions exist in which Canadian culture can take root. Canadians want to have Canadian choices that reflect Canadian creativity and talent, linguistic duality, multicultural diversity, and the special place of Aboriginal peoples within Canadian society."*[1] The NFB is one of the best instruments the Government of Canada has to meet Canadians' expectations. The Board is a unique creative centre with a mandate to produce and distribute films and other audiovisual works intended for Canadian audiences and foreign markets, in order to increase viewers' knowledge and understanding of the social and cultural realities of Canada. The Board offers Canadians a number of revelatory and eloquent films. Whether examining contemporary situations or looking at our history, the Board has remained true to its promise of fuelling the expression of the values that define Canadians from coast to coast and how they live together. The Board's continuous support of emerging talent, particularly among different

[1] Treasury Board, Canada's *Performance 2006: The Government of Canada's Contribution*, Ottawa, 2006, p.41

ethnocultural communities, and of young filmmakers willing to articulate their vision of Canadian realities has been fully rewarded by remarkable and insightful works.

Through the application of new audiovisual technologies, the NFB has developed a variety of traditional and virtual distribution networks that make its productions and its extensive film collection – the collective memory of Canada – even more accessible to Canadians in every province.

NFB's Total Financial Resources (thousands of dollars)

Planned Spending	Authorities	Actual Spending
64,839	71,221	68,436

NFB's Total Human Resources (thousands of dollars)

Planned	Authority	Actual
500	500	486

Link to the Government of Canada Outcome areas

The National Film Board of Canada is a cultural agency reporting to the Department of Canadian Heritage. It supports the Department in its mission to make Canada an exciting, cohesive place where all Canadians can take part in the country's cultural and social life. The NFB contributes directly to the Department's two strategic outcomes[2]:

- Canadians achieve diverse cultural experiences and share them with one another and the world;
- Canadians live in a society open to everyone, based on inter-cultural understanding and citizen participation.

These two strategic outcomes are in their turn linked with Government of Canada objectives that are designed to strengthen Canada's social foundations. Canada is an inclusive society, fostering linguistic duality and diversity as well as a dynamic Canadian culture and heritage.

Alignment with Government Priorities

Through the Department of Canadian Heritage, the NFB contributes directly to the achievement of federal government priorities. Through concrete initiatives within the organization and the private industry and by means of its original film productions which adresses Canadians greatest concerns, the NFB assists the federal government in achieving the following priorities:

a. Managing the environment:
The Government will take bold and practical measures to improve the environment and will adopt stricter environmental standards to achieve tangible improvements in Canada's environment , including reductions in air pollution and greenhouse gas emissions and protecting Canadian from the consequences of climate change. The NFB is aware that the environment and sustainable development are of greater concern to Canadians than ever and has produced numerous films on environment-based themes over the years.

Initiatives

- The NFB supported financially and actively the Green code project, an inititive from a A growing group of Canadian and international filmmakers, media industry partners, environmental researchers and supporters that have come together to research, develop, launch and establish a green code for the Media Industries.

  In its simplest form, the greencode is a set of modest, voluntary, environmentally friendly eco-actions, guidelines, standards and principles that encourage ecologically friendly sustainability.

[2] Canadian Heritage, *Report on Plans and Priorities*, Ottawa, 2006, p. 12

- The NFB has set up a green committee to inform NFB employees on environmental best practices in the industry.

NFB's films on environment-based themes produced in 2006-2007

- *Manufactures Landscapes, The Refugees of the Blue Planet, The White Planet*

b. Tackling crime:
The government will take measures to prevent criminal behaviour and will work with the provinces and territories to help communities, provide hope and opportunity for Canada's youth, and end the cycle of violence that can lead to broken communities and broken lives.

The NFB produces, in both official languages, Canadian audiovisual content on social issues of concern to communities across Canada interested, among other things, in discovering the causes of violence in or society. Moreover, initiatives like Vidéo Paradiso and Racism at work successfully encourage everyone to participate and give them the means to express themselves and share their experiences in original ways.

Initiatives

- The **Vidéo Paradiso** program, to which the NFB has contributed between 2004 and 2007, is a mobile training and audiovisual studio for young people living on the margins of society in Montreal and Quebec. While learning about the art of filmmaking, the young artists record their innermost feelings and experiences, breaking the silence and making their voices heard.
- *Racism at Work*

  The Racism at Work project consists of three main elements: five short films on the issue of racism at work, directed by filmmakers with diverse backgrounds from across Canada; a DVD (both English and French) compiling these films as well as bonus materials; and the creation of two Websites: *Racisme au travail* and *Racism at Work*.

NFB's films on security-related themes produced in 2006-2007
- *Récit d'une méditation, Finding Dawn*

c. Canada – strong, united, independent and free:
The Government will work to advance common values and interests shared by Canadians. More broadly, the Government is committed to supporting Canada's core values of freedom, democracy, the rule of law and human rights around the world.

The NFB produces innovative and challenging films that convey Canadian values in the country and around the world. By means of its documentaries or animated short films, the NFB is the ideal instrument for conveying Canada's core values.

Initiatives

- The NFB has signed an agreement with Haiti's Minister for Culture and Communication to offer a collection of documentary, fiction and animation films to be broadcast on Haitian national television and other broadcasters in Haiti. The NFB's mission will include assessing the possibility of setting up training projects in filmmaking, that specifically use cinema as a social tool.

NFB's films on this subject produced in 2006-2007

-Souvenirs of Canada, Afghans Chronicles, The Bicycle : Fighting AIDS with Community Medicine

d. Immigrants and Aboriginal people: The Government will seek to improve opportunity for all Canadians, including Aboriginal peoples and new immigrants.

The NFB plays a unique role in producing and distributing audiovisual works by members of these ethnocultural and Aboriginal communities. A number of NFB initiatives have also been established specifically with the aim of reaching members of Aboriginal and ethnocultural communities.

Initiatives

- *First Stories* is aimed at developing Aboriginal people's talents and expertise in the areas of film and television production. Through this initiative, young Aboriginal filmmakers in Manitoba, Saskatchewan, Alberta and the North have an opportunity to attend a series of intensive seminars, at the end of which they are invited to submit proposals for short films on social issues.

- *Wapikoni Mobile* is an imaginative mobile film production studio that travels seek out young Aboriginal people in their own communities; initiating them into the techniques of filmmaking and helping them produce their first films and sound clips.

NFB's films on Aboriginal-based themes produced in 2006-2007

-Wabanaki, Qallunaat! Why the white people are funny, Apples and Indians, Wapos Bay, the series

e. Health care

The government will work toward achieving timely access to better health care. Over the years, the NFB has produced many films on the Canadian health care system and has talked about the repercussions of physical and mental illnesses on Canadians. Furthermore, the NFB has instigated several initiatives to find and support talents amongst disabled people.

Initiatives

- Launched in 2006, Filmmaker-in-residence –FiR, is a collaborative partnership between the NFB and St. Michael's Hospital, to give a voice to partners who are working on the frontlines: doctors, nurses, researchers, and patients.

- The NFB-CFTPA Media Makers Mentorship program is the first Nation-wide Film and Television Training Program for People with Disabilities. This new initiative will provide on-the-job training opportunities for up to five filmmakers, producers and production personnel with disabilities across Canada. Interns will be placed with independent production companies that are both CFTPA members and in co-development or co-production relationship with NFB.

NFB's films on the subject produced in 2006-2007

- *La peau et les os, après..., The Interventionist: Chronicles of a Mental Health Crisis Team, Flight from darkness, Unspeakable*

National Film Board's Priorities

Strategic Outcomes produce and make available relevant, ambitious and innovative audiovisual works that offer Canadians a deeper understanding of Canada and the world.				
Link to the Government of Canada Outcome areas an inclusive society, fostering linguistic duality and diversity as well as a dynamic Canadian culture and heritage.				
Program Activity : Production of Audiovisual Works			**2006-2007**	
Priorities	**Expected Outcomes**	**Performance Summary**	**Planned Spending ($ thousands)**	**Actual Spending ($ thousands)**
1. Maintain overall programming slate of distinctive, challenging and relevant audiovisual works.	• 85% of programming involving social issues.	Meets all expectations	47,103	45,847
2. Strengthen feature documentary production and develop a consistent approach to making short films.	• Programming with the focus on point-of-view documentaries, animation, alternative fiction and new media.	Meets all expectations		
3. Strengthen the NFB's ability to identify and to work with leading talent, championing emerging, culturally diverse and Aboriginal talent.	• Ongoing promotion and development of new talent.	Ongoing		
4. Encourage partnerships through co-productions.	• Number of national and international co-productions maintained.	Meets all expectations		

5. Strengthen innovation in content, form and technology.	▪ Projects innovative in content, form and broadcasting mode, with flexibility for experimentation.	Meets all expectations		
6. Maintain the development of international co-productions.	▪ Number of national and international co-productions maintained.	Meets all expectations		
Program Activity:Distribution of Audiovisual Works			**2006-2007**	
Priorities	**Expected Outcomes**	**Performance Summary**	**Planned Spending ($ thousands)**	**Actual Spending ($ thousands)**
7. Increase revenue from the NFB's collection and optimize pre-sales and sales. 8. Offer expert knowledge and NFB distribution networks to private and public sectors.	▪ Higher sales and revenue for all NFB markets and territories. ▪ Acquisition of more productions that complement the NFB catalogue. ▪ Stronger NFB branding in distribution.	Meets all expectations Meets all expectations Ongoing	2,370	3,134
Program Activity : Access to Audiovisual Works and Outreach Development			**2006-2007**	
Priorities	**Expected Outcomes**	**Performance Summary**	**Planned Spending ($ thousands)**	**Actual Spending ($ thousands)**
9. Enhance, promote and increase	▪ Improved access to the NFB collection through its various activities and offerings.	Meets all	11,726	12,608

the conservation of and equitable access to the NFB collection, in new emerging digital formats.	particularly the mediatheques and other resources; continued digitization of the NFB collection.	expectations		
10. Achieve greater reach across Canada and into communities.	▪ Better citizen participation through public screenings and other appropriate means.	Meets all expectations		
	▪ Enhanced quality visibility for the NFB and its productions on television, in festivals and schools, during industry activities and with the federal government.	Ongoing		
11. Increase NFB visibility in communities, on television and in learning channels.	▪ Improved recognition of the NFB brand on television; improved recognition of the NFB's role by co-producers' a valued and highly recognized brand.	Ongoing		
12. Increase branding opportunities in Canada and abroad.	▪ Strong presence of NFB productions in Canada's community and educational distribution networks.	Ongoing		
	▪ Increased press coverage and visibility in the media.	Ongoing		
Program Activity : Research and Advisory Services			**2006-2007**	
Priorities	**Expected Outcomes**	**Performance Summary**	**Planned Spending ($ thousands)**	**Actual Spending ($ thousands)**
13. Maintain, promote and enhance R&D initiatives to reposition the	▪ Appreciable research and development efforts on techniques and technology in the	Meets all expectations	3,640	6,847

NFB as a leader in the Canadian film industry, along with its partners. 14. Conduct and participate in research and other projects. 15. Collaborate further with the government and other organizations.	audiovisual field. ▪ The NFB as an enduring benchmark in filmmaking.	Ongoing		

Background: National Film Board of Canada

The National Film Board of Canada is a unique creative centre with a mandate to produce and distribute films and other audiovisual works intended for Canadian audiences and foreign markets, in order to increase viewers' knowledge and understanding of the social and cultural realities of Canada.

Internal Business Environment

Term of Government Film Commissioner and Chairperson of the NFB Ended

On December 18, 2006, Jacques Bensimon completed his term at the helm of the NFB. During the search for a new Government Film Commissioner and Chairperson of the NFB, Claude Joli-Cœur, Director of Business Affairs and Legal Services, acted in an acting capacity between December 19 2006 and June 11 2007, when the 15th Government Commissionner and NFB president, Mr. Tom Perlmutter, took on the Commissioner's duties.

End of 2002-2006 Strategic Plan

The year 2006-2007 marked not only the end of Jacques Bensimon's term but also the last year of the 2002-2006 Strategic Plan. Over the past five years, all NFB activities have been aimed at repositioning the organization as an essential partner in an ever-changing national and international film environment. The new commissioner in consultation with with the Board of Trustee, the NFB employees and the institution's strategic partners should begin the strategic planning process in the Fall of 2007.

Restructuring

Among all the modifications made in the various branches, two restructurings had a particular impact on the organization's activities. The French Program successfully carried out a major overhaul and its organizational structure was adapted to more closely reflect its responsibilities. Its activities are now distributed among the three main production sectors, each the responsibility of an executive producer: Animation, Quebec, and Regions (Acadia Studios and Ontario and West). This particularly strengthened francophone programming outside Quebec. Responsibilities have been shared in order to develop and share expertise: For example, the position of producer, multi-platform, was created to make the most of the opportunities offered by this emerging domain.

The 2006-2007 year was also characterized by the consolidation of marketing and communications activities in one single branch, Marketing and Communications, and by the introduction of a new management structure. The integration of these two branches entailed a major reorganization and new work processes were set up. These changes have allowed the NFB to greatly improve its ability to reach audiences and to do so more coherently. It has equipped itself in order to consolidate its presence in several key sectors of society, thus drawing closer to the visibility objectives set in the 2002-2006 Strategic Plan. These restructurings have also led to improvements in the agreements made with various institutional partners, so that it is now easier to include different products and activities.

EXTERNAL BUSINESS ENVIRONMENT

Government Expectations

The NFB reports to the Department of Canadian Heritage, which is responsible for administering the *Film Act* that governs NFB operations. The Canadian cultural organization is funded primarily through Parliamentary appropriations and revenue from the sale of films and other products.

Canada's government was elected on a platform of good governance of federal institutions and restoration of accountability. In the *Federal Accountability Act*, it puts forward specific measures to increase accountability, transparency and oversight of government activities. In addition, the Management Accountability Framework sets out all expectations for managing the Public Service in today's world to ensure superior organizational performance.

At the NFB, analysis and compliance with the government's sound management requirements are ongoing processes as well as organizational priorities. The NFB's business practices foster good governance and accountability, and help forge a bond of confidence with Canadians. The organization ensures that all activities comply with or exceed the highest standards in these areas.

Canada's Film and Television Production Industry

Statistics in the most recent Economic Report on the Canadian Film and Television Production Industry, Profile 2007, indicated that the total production for Canada's Film and Television production industry increased by 5.8 % to $4.8 billion. The Canadian theatrical production which includes feature films and short films made with movie theatres as the primary venue for initial release to the public, increased by 75.6% in 2005-2006 from the previous year, to reach $323 millions. The number of Canadian theatrical films rebounded from a two year decline in 2003-2004 and 2004-2005. Of the total of 80 theatrical-release films made in Canada in 2005-2006, 76 were feature-length films and four were short films. The recovery in Canadian theatrical production can be largely traced back to an increased number of productions at the higher end of the budget scales, particularly in the fiction feature-length genre, and the increase in foreign location productions. However, official international co-productions activity continued to drop with a $177 million decrease in 2005-2006. The international pre-sale market still has not rebounded to the exceptional levels seen in the late 1990s. The export value of the Canadian theatrical production tripled to reach $ 88 million.

Film and television production generated 124,300 full-time equivalents jobs including more than 8,600 directly and indirectly in theatrical films production. The real GDP in the motion picture and video production and post-production industry grew by 1.5% in 2005-2006.

The above factors will not only affect private-sector producers but also have an impact on NFB operations throughout the planning period covered in this report.

Documentary genre

Canada's reputation for excellence in the documentary field has been well established. In the last few years alone, a number of Canadian documentaries have received awards for their eloquence and their perspective on social issues. The total volume of documentary production has been increasing every year since the start of this decade, standing at $383 million at the end of the last fiscal year. Most Canadian documentaries are produced primarily for the television market.

While the vast majority of Canadian films made for theatrical distribution are works of fiction, 3% are documentaries, with production totalling $11 million. These figures explain why only 5 of 80 Canadian theatrical films were documentaries. Since 2003-2004, the volume of Canadian theatrical documentary production has been declining. It went from $24 million in 2003-2004 to $11 million in 2005-2006 – hence the 50% decline in the number of theatrical documentaries released between 2003-2004 and 2005-2006. At first glance, these numbers may seem surprising, given the increased global interest in documentary after the success of such films as *Bowling for Columbine*, *An Inconvenient Truth* and the Canadian *Les Voleurs d'enfance* and *Manufactured Landscapes*. However, feature-length documentaries do not benefit from the same financial resources as dramas. In 2005-2006, Telefilm Canada introduced a fund for theatrical feature-length documentaries as a pilot project. Those in the documentary industry estimate that it takes a budget of over $1 million to make a feature-length documentary and do the necessary publicity required in order to draw an audience. According to conclusions drawn by the industry, "If we want to make [documentaries] a permanent element in Canadian film – and continue the long tradition of excellence the country has enjoyed in this genre – it will be essential to establish a dedicated [financing] program to support the production of a list of films each year."[3]

Similarly, the NFB is drawing attention to the importance of documentary within the Canadian film industry, and is taking concrete steps to support the creation of Canadian works. The organization plays a unique and essential role distributing the films (documentary and other) it produces and co-produces, and serving as a distributor for many independent producers. The NFB offers the industry a unique combination of creativity and technological innovation. It has made point-of-view documentaries one of its operational priorities, because people are interested in seeing films that help them understand the issues that affect them. The NFB's documentaries are an important way of encouraging discussion among Canadians and various political, economic and social stakeholders.

In this environment, the NFB plays a unique and essential role in documentary distribution, among other things by distributing the films it produces and co-produces with or acquires from private-sector producers. For the industry, the NFB provides a unique brand of expertise that combines creativity and technological innovation. Point-of view documentaries are an operational priority at the NFB, because Canadians want to see films that help them gain a better understanding of the issues that affect them. NFB documentaries are important in encouraging a process of reflection among Canadians and among stakeholders in the political, economic and social arenas.

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[3] Ibid, p. 6

Digital transition

On May 17, the Canadian Radio-television and Telecommunications Commission (CRTC) introduced changes to the way it regulates conventional television broadcasters and established August 31, 2011, as the date by which television licensees will only broadcast digital signals. In the OTA Notice, the Commission stated that the pace of HD/Digitial transition in Canada has been slow, particularly in comparison with the U.S. which has set 17 February 2009 as the date by which analog transmission will cease and all OTA television signals must be transmitted digitally. In the EU, individual member states are selecting switch-off dates for analog terrestrial broadcasting between 2008 and 2012 In the United Kingdom, analog service will begin to be switched off in 2008, with all analog service discontinued by 2012[4].

The Commission also expressed concern that Canadian viewers were finding little Canadian programming offered in HD. Such viewers may turn to foreign services, and it may be difficult to repatriate them to Canadian services even when more Canadian HD programming is available.

As a public producer, the NFB must be thoroughly prepared by the time a deadline is established for Canada. Since the production cycle takes about eighteen months, the NFB must be producing all documentaries and animated films in HD by 2008-2009 to be ready by 2009-2010.

New distribution plateform

Digitization will make it possible for Canadians to watch films and television shows on the platform of their choice – DVD, digital music player, mobile video player, webcasts and other means – regardless of where they are. Yet even though the digital revolution provides a wealth of extraordinary opportunities for producers and distributors, it also brings enormous problems with it. The NFB has been preparing for a number of years, creating partnerships and conducting research on image quality, innovative modes of transfer, accessibility and broadcasting in order to make the shift to digital technology.

Over the next few years, the NFB will face many challenges rooted in the proliferation of digital formats. HD will become the unchallenged standard for shooting, broadcasting and distribution in Canadian and internationally. Without HD production and distribution capacity on multiple platforms, the NFB could jeopardize its distribution activities and its revenues could drop precipitously.

The NFB must quickly adjust its production chain, distribution strategies and collection management methods to meet its program objectives and maintain its leadership role among its partners and Canadians generally. Costs, however, are important both to the independent industry and to the organization. The transition represents a considerable challenge.

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[4] Garry Sears, William Murray and Deborah Drisdell, *Status of Digital Production in Canada*, 2006, p. 9.

SECTION II – ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

Strategic Outcome

The NFB's strategic outcome is to produce and make available relevant, ambitious and innovative audiovisual works that give Canadians a deeper understanding of Canada and the world.

Program Activity 1: Production of audiovisual works

The National Film Board develops and produces socially and culturally relevant films which are distinctive and diverse, and help through their content, perspective, genre and process, Canadians better understand Canada and the world. The production activity includes the conceptualization, research, development, production and social marketing of documentaries, animation films, new media content, as well as other emerging forms.

The NFB plays, through this activity, a significant role in the identification, development and mentorship of talent and creative skills, making it an incubator of new talents. Furthermore, the Office delivers on its national and international mandate of "producing, distributing and promoting films designed to interpret Canada to Canadians and to other nations".

2006-2007 DPR (according to PAA)	
Program Activity 1	**Priorities**
Production: Overall programming slate of distinctive, challenging and relevant audiovisual productions.	1. Maintain overall programming slate of distinctive, challenging and relevant audiovisual works. 2. Strengthen feature documentary production and develop a consistent approach to making short films. 3. Strengthen the NFB's ability to identify and to work with leading talent, championing emerging, culturally diverse and Aboriginal talent. 4. Encourage partnerships through co-productions. 5. Strengthen innovation in content, form and technology. 6. Maintain the development of international co-productions.

Financial resources in thousands of dollars

Planned Spending	Total Authorities	Actual Spending
47,103	50,890	45,847

Human Resources

Planned	Authority	Actual
275	275	221

Priorities

1. **Maintain overall programming slate of distinctive, challenging and relevant audiovisual works.**

- **Expected Outcome:**
  85% of programming involving social issues.
  - **Indicators:**
    - ✓ Diversity of genres and subject matter in NFB productions
    - ✓ Level of audience reach and interest in films (television and non-television audiences, and Web site traffic)
    - ✓ Engagement of Canadians

Expected Outcome:

85% of programming involving social issues;

The NFB's primary mandate is to produce relevant and distinctive audiovisual works that reflect important social issues, both in Canada and internationally, as well as the wealth of diversity in Canada's communities, in order to benefit Canadians. The NFB produces documentaries, animation and works of fiction using innovative technology and a variety of production formats. These works serve to increase awareness and to educate; they are also vehicles for social innovation that promote the participation of the various communities that make up this country. In 2006-2007, more than 85% of programming consisted of works that touched on domestic and international social issues.

Indicators:

Diversity of genres and subject matter in NFB productions

2006-2007 Subjet matters
➢ Aboriginal issues ➢ Anorexia ➢ Canadian economy ➢ Canadian identity ➢ Cultural diversity ➢ Elderly ➢ Environment ➢ Health ➢ Immigration ➢ Mental and physical illness ➢ Racism ➢ Sexual Abuse ➢ Smoking ➢ Sport ➢ Teenagers ➢ Violence

Throughout the strategic planning cycle, the NFB has marshalled its resources towards the production of films about the major issues of the day. The year 2006-2007 was no exception. During this period, the 127 productions and co-productions released by the NFB touched on a number of subjects of public interest, from a variety of points of view reflecting Canadian and international realities.

NFB films offer striking perspectives on our world: from highlighting the challenges facing people with reduced mobility, as illustrated by Sam Sullivan's campaign for mayor of Vancouver in *Citizen Sam*, to director Patricio Enriquez raising awareness of torture committed in Chile aboard the state-owned ship *Esmeralda*. The NFB's 2006-2007 Annual Report offers a complete list of works produced by the Film Board during the course of the year, as well as detailed descriptions of the issues these films address.

Genre	2006-2007	Percentage
Animation	26	20%
Documentary	97	76%
Fiction	4	4%
Total	127	100%

The NFB works in a variety of cinematographic genres, allowing the issues highlighted to reach film-lovers through multiple avenues. This year's crop of 26 animation films allowed everyone – including very young viewers – to understand, for example, the tribulations of a young boy with asthma, the difficulties of having two cultural identities, and what it's like to be a part of an Aboriginal society. While the four works of fiction produced by the NFB during the year aim primarily to entertain, they also offer viewers transformative messages while broadening the Film Board's reach to a wider audience that may be less familiar with other genres. The NFB enjoys an international reputation for point-of-view documentary. As a result, it is natural that filmmakers working with the NFB would favour this genre – as proven by the 97 documentaries produced by the NFB last year – in their efforts to raise awareness of Canadian social and cultural realities while transmitting Canadian values.

Level of audience reach and interest in films (television and non-television audiences, and Web site traffic)

Audience	**2006-2007**	**2005-2006**
Television	6, 781,000	5, 948,000
Public screenings	145,941	154,563
Internet	3, 693,571	4,733,366

The NFB reaches Canadians of all ages and every origin through a variety of distribution and broadcasting channels. Television remains the primary medium through which the NFB reaches the public, though the Web is becoming increasingly significant, particularly among young people. The public also views NFB films in film theatres, at festivals and public screenings, and through video-on-demand sales to consumers, schools, and cultural and social organizations.

Television audiences

In 2006-2007, 6,781,000 viewers saw NFB films on television, an increase of 14% over the previous year. This year, the NFB acquired new software to assess the increasing audiences for specialized channels.

Web site development and traffic

nfb.ca

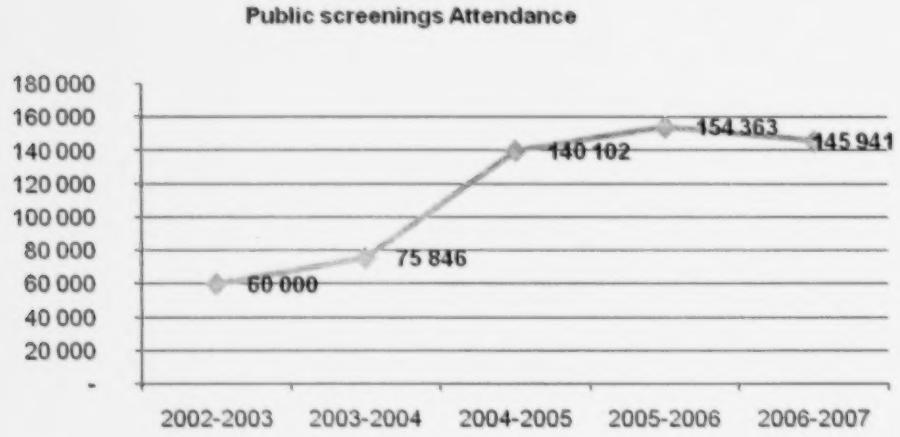
This year again visits to the NFB Internet site increased spectacularly with 3,693,571 individual hits. The number of user sessions is up by more than 25%, making a total of 42,522,550 pages displayed, i.e. more than 522 000 up from the preceding year.

In total, 30 new microsites and Web productions were added to the NFB site during the year 2006-2007.

Citizenshift /Parole citoyenne

The NFB also undertook innovative Web initiatives that allow young people and the general public to debate social and political issues. This is especially the case with Parole Citoyenne and Citizen*Shift* which are pioneering discussion forums that explore a multitude of Web possibilities for debating social issues. These sites are first and foremost public and technological spaces committed to giving citizens the opportunity to speak out.

Engagement of Canadians



Maintaining the NFB's presence in people's lives remains a constant challenge requiring renewed efforts. To rekindle and enhance our relationship with Canadians, the NFB continued its tradition of organising public screenings for its films in various communities from coast to coast.

The NFB visits various communities and groups directly concerned with topics raised in its films, and organizes screening tours on specific issues. Over the course of the last year, the Film Board's chief public screening project was a retrospective of classic films by Norman McLaren. It toured communities throughout Canada, including a number poorly served by the traditional commercial distribution network. The films also screened in major American and European cities. This tour was accompanied by introduction-to-animation workshops for children that were very well-received wherever they were offered.

2. Strengthen feature documentary production and develop a consistent approach to making short films.

- **Expected Outcome :**

  Programming with the focus on point-of-view documentaries, animation, alternative fiction and new media.

Expected Outcome:
Programming with the focus on point-of-view documentaries, animation, alternative fiction and new media.

The NFB has always worked to create an environment in which Canadian films can flourish and fully explore their possibilities in a variety of genres and formats. During the course of discussions around the previous strategic plan, the NFB decided to focus its efforts on auteur animation and distinctive documentaries, while still making occasional forays into hybrid formats and alternative drama.

Indicators:

Feature documentary

Documentary format	**2006-2007**	**%**
Feature	18	19%
Medium length	20	20%
Short	59	61%
Total	97	100%

Inspired by the vision of NFB's first commissioner, John Grierson, and by the development of direct cinema in the 60s by its artisans, the NFB is a world leader in producing socially engaged cinema. The increasing popularity of theatrical feature-lenght documentaries reinforced the NFB resolve to explore the potential offered by this genre. In 2006-2007, the NFB produced 18 feature length documentaries (90 minutes or more), which represents 19% of all documentaries produced during the year.

As Canada's public producer and a long-time champion of theatrical documentaries, the National Film Board of Canada joined the Theatrical Documentary Pilot Program, with funds in excess of $2 million, for the production and completion of feature-length documentaries intended for Canadian theatrical release. The Pilot Program offered in Partnership wit Telefilm Canada, CBC and Rogers is an exciting way for the NFB to work with the private and public sector to strengthen the Canadian documentary industry and bring more signature docs to the screen. The programme addresses the needs of both English and French markets. Originally set up in 2005-2006 as a one-year pilot program, the Theatrical Documentary Pilot Program financed the development and production of seven English- and French-language documentaries, as well as the completion of six English- and French-language documentary projects from across Canada.

Short films

NFB's film formats *(All genre)*	**2006-2007**	**%**
Short	88	69%
Medium length	20	16%
Feature	19	15%
Total	127	100%

Over the last year, the NFB reviewed its various short film production, broadcast and distribution initiatives. In doing this, the Film Board recognizes the importance of short films – in particular for emerging filmmakers – and the growing interest in short films both in Canada and around the world.

In order to help fulfil its desire to increase the profile of shorts on the international scene, the NFB has established a partnership with the Short Film Corner – a part of the Cannes Film Festival's Film Market, to organize a massive international short film competition. This was the second year that the Film Board awarded the winner of the short film Palme d'Or the Norman McLaren Prize, which is endowed with a grant and an option of international distribution or co-production of the artist's next work. For its part, the 2006 Cannes Online Competition screened ten shorts from six countries, selected from almost 900 films entered at Short Film Corner. The film *B is for Bomb* by the South African documentary filmmaker **Carey McKenzie** won the audience vote. During the competition, there were almost 44,000 screenings, which represents an increase of over 308% from the previous edition. In addition, in 2006-2007 the NFB sponsored a study on short film, which will spearhead a more detailed strategy for 2007-2008.

3. Strengthen the NFB's ability to identify and to work with leading talent, championing emerging, culturally diverse and Aboriginal talent.

- **Expected Outcome:**
  Ongoing promotion and development of new talent.
  - **Indicator:**
    - ✓ Diversity on screen and behind the screen

Expected Outcome:
Ongoing promotion and development of new talent;

The NFB has invested considerable energy in being more open to emerging filmmakers, since it provides a unique learning experience defined by an extremely rich film tradition. The NFB wanted to become a springboard for talented youth interested in getting involved in directing and producing documentary or animated films.

With a number of training programs, the NFB is discovering and encouraging new talent, developing Canadian film and promoting experimentation. The NFB's support for Canadian filmmakers is in evidence through an array of activities offered across the country, bringing distinctive voices to Canadians everywhere.

The Film Board offers a number of programs and projects to encourage emerging filmmakers, many of whom come from diverse cultural communities, official language minorities and Aboriginal communities. As a result, for the second consecutive year, more than half of the NFB's productions and co-productions are directed by emerging filmmakers. The NFB is proud of this achievement, and is committed to continuing in this direction. Here are some of the NFB initiatives that have encouraged diversity both on-screen and behind the scenes.

Indicator:

Diversity on screen and behind the screen

Initiatives for emerging talents:

Hothouse 3

In its third edition, **Hothouse** is a NFB project that encourages new talent, provides an A-Z experience in professional animation filmmaking and re-imagines ways of making animation: ways that are faster, more flexible and that celebrate the shortest of short forms while maintaining creative and technological excellence. The challenging and exciting order facing six emerging filmmakers is to spend twelve weeks at the NFB Animation studios in Montreal to create a 30-second film.

Momentum

A program for new talent that gives young filmmakers a chance to hone their research, writing, and directing expertise through a series of workshops combined with mentoring. They can thus explore innovative production methods to produce a film that meets industry standards. These films are broadcast on CBC Newsworld. For the third consecutive year, the Momentum documentary training workshops took place in January. In February, a consultant followed up with each participant on his or her project's development. The competition ended with the selection of a short film proposal to be produced by the NFB.

Yukon Vérité

Yukon Vérité is a documentary mentorship program for first-time filmmakers offered in partnership with the Yukon Film Society. The program has been structured as a series of participatory workshops intended for people with experience and strengths in related creative fields who are looking to enter into film and video production.

Eight filmmakers were selected to participate in a series of intensive hands-on workshops and received support and mentorship throughout the fall of 2006 as they produced their original short films.

Initiatives for Aboriginals:

Wapikoni Mobile

Wapikoni Mobile is a mobile film production studio, created by Manon Barbeau and supported by the NFB, that seeks out young Aboriginal people in their own communities; initiating them into the techniques of filmmaking and helping them produce their first films and sound clips. In 2006-2007, the Wapikoni Mobile Studio team visited eight Aboriginal communities. Since this project began, 445 Aboriginal youth in isolated regions of Quebec have received training in digital technology. These young people have produced 76 short films, 13 of which have won awards. There have been more than 49 screenings for Aboriginal and non-Aboriginal audiences, and films produced through the project have been screened at 64 events since 2004, including festivals, conferences and other occasions. In January 2006, four young Aboriginals trained through the Wapikoni Mobile Studio set up a first permanent studio in Wemotaci. Two other permanent studios – in Kitcisasik and Mashteuiatsh – were launched in 2006-2007.

First Stories

This partnership with CBC is aimed at developing Aboriginal people's talents and expertise in the areas of film and television production. Through this initiative, young Aboriginal filmmakers in Manitoba, Saskatchewan, Alberta and the North have an opportunity to attend a series of intensive seminars, at the end of which they are invited to submit proposals for short films on social issues. Launched in 2005, **First Stories- Manitoba** gave to 15 young Aboriginals the opportunity to share stories that important to them and their communities.

Nunavut Animation Lab

The **Nunavut Animation Lab** is a joint initiative between the Inuit Broadcasting Corporation and the National Film Board of Canada in association with The Banff Centre, the Aboriginal Peoples Television Network (APTN), the National Screen Institute, Nunavut Film and the Government of Nunavut. The Nunavut Animation Lab opens doors. The creation of workshops, the sharing of skills and cutting-edge techniques, as well as the opportunity to create four animation films, adds volume to the voice of northern filmmakers. This program gives emerging artists from Nunavut an opportunity to share their stories with audiences around the world through various electronic media.

Phase One of the **Nunavut Animation Lab (NAL)** has successfully wrapped and four young animators from Iqaluit and Pangnirtung were chosen to proceed to the next phase of training and complete a short (under five minutes) animated film. The four were chosen from 38 Nunavut residents who participated in intensive animation workshops in February in Cape Dorset, Iqaluit and Pangnirtung. The workshops were designed to develop new skills among emerging and established artists to help them tell their stories using state-of-the-art animation equipment. The four winners then began a week in Winnipeg participating in story workshops coordinated by National Screen Institute – Canada to fully develop their proposals into finished film treatments. Following the story workshops, they'll travel to The Banff Centre to direct and animate their films. The films will be made available in Inuktitut, English and French. While at Banff, the emerging animators worked with skilled filmmakers and mentors to develop and produce their stories and then learn how to market them. Completed films will receive worldwide exposure through the NFB Web site, in festivals and on a national broadcaster - APTN.

Initiatives for Official-Language Minority Communities:

Mentorship program for Ontario-based francophone filmmakers

This pilote project offered in partnership with the Ontario Arts Council (OAC) was launched in 2006. As part of a long-term professional development process, four French Ontario filmmakers were mentored by an experienced professional in the fields of pre-production, production or post-production. The four selected directors also received training in editing, story structure, script writing and with the HD camera.

AnimAcadie

Important changes were made to the third edition of the **AnimAcadie** program, which came into being under the aegis of the Interdepartmental Partnership with the Official-Language Communities (IPOLC), which was designed to support minority official language communities. By focusing this year on screenwriting and inviting the winners to work with honorees from past years, we wanted to contribute not only to the creation of quality, profoundly original works, but also to strengthen links within the animation world.

PICLO 2006

This initiative offers writers, directors and producers working in French outside Quebec the opportunity to hone their skills in TV drama production. It is also aimed at expanding the pool of Francophone professionals and creators in provinces other than Quebec.

The eight writers of the selected projects for 2006 received financial assistance and the support of a script advisor provided by the Institut national de l'image et du son (INIS). They then completed and delivered the creative material and partnered with a producer working in French outside Quebec. The National Film Board is acting as associate producer, Telefilm Canada is participating as an investor while Radio-Canada is partnering by acquiring the regional and national broadcast rights to the programs.

Cinéaste recherché(e)

This competition is open to Canadian francophones who have already directed an animated film with soundtrack (either as independent craftspeople or as students). The winner is given the opportunity to direct a first professional short animated film at the NFB's studios in Montreal. The competition was initiated in 1980, by the French Program's Animation and Youth Studio, and has launched the careers of a number of animation filmmakers, including Michèle Cournoyer (***La basse cour / A Feather Tale***, 1992), Pierre M. Trudeau (***Enfantillage / Kid Stuff***, 1990) and Nicolas Brault (***Antagonia***, 2002). Films completed as part of the competition have won more than 30 international awards.

Cultural diversity Initiatives :

72 Hours Chrono

Organized by Taling Dialo, a group of Canadian cultural minority filmmakers, this competition allows young Africans to produce a short documentary while receiving training from Canadian cultural minority filmmakers. During the fourth edition of this project, around ten young people from Quebec worked with 18-to-25-year-olds from Burkina Faso. In the space of 72 hours, six teams shot six short films, each six minutes long, on the theme of "Youth and Cinema." The results included documentary, fiction and docu-drama. The experience of working together allowed the participants from Quebec and Burkina Faso to get to know themselves and each other, to express themselves through images, and to enjoy a unique intercultural experience.

Reel Diversity

The fifth edition of this annual competition, in partnership with the CBC, CBC Newsworld, and Vision TV, gave eight emerging filmmakers from visible minorities the chance to to attend a 3-day intensive training session and offered to three off them the opportunity to produce a documentary with the NFB that is subsequently televised nationally. Until now, 23 films have been produced through this program. They were presented in over 35 Canadian and international film festivals and many received numerous awards.

Projects for disabled people:

Open I

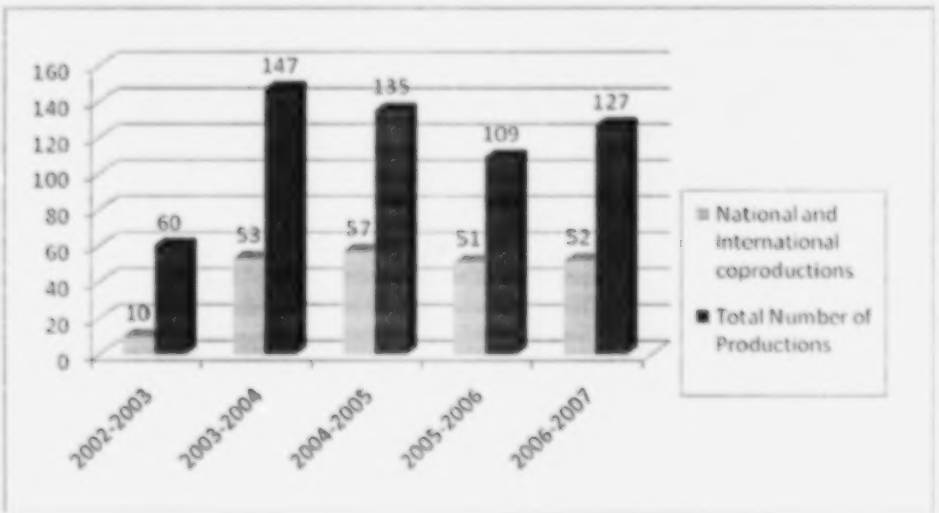
Open I, is an NFB digital video mentoring program for young people with a handicap to tell their stories. Over the last two years, filmmakers from the AccessNFB project and Pacific Cinematheque instructors and youth mentors — both with and without disabilities — have worked with five groups of youth from the Lower Mainland of BC to help them develop the skills needed to realize their creative visions and tell their own stories through digital video. In 2006-2007, the project saw the production of five high-quality short films covering a variety of styles, genres and subjects. A number of this year's young participants have said that they intend to pursue careers in the media. Three of them will be attending the Cinematheque's Summer Vision training program to learn more about film.

4. Encourage partnerships through co-productions.

- **Expected outcome**
  Number of national and international co-productions maintained.
  - **Indicator :**
    - ✓ Evolution of co-productions

Expected Outcome:

Number of national and international co-productions maintained.



In both its own original productions and its co-productions, the NFB aims to present audio-visual works rich in both artistic and social content. Over the last few years, the organization has focussed on developing domestic and international co-productions with partners in both the public and private sectors. This has allowed the NFB to make the best possible use of its financial, technical and creative resources, and to undertake major national and international projects. During the five years covered by the Strategic Plan, the number of co-productions with the private sector has risen significantly.

Indicator :

Number of national and international coprodutions

Productions	2006-2007	%	2005-2006	%
Productions 100% ONF	75	59%	51	50%
National and International	52	41%	51	50%
Total	127	100%	102	100%

In 2006-2007, the NFB maintained its level of co-production participation with domestic and international producers. It should be noted that many of these projects would never have seen the light of day without NFB involvement. The Film Board is an integrated production and distribution house, offering technical services for post-production, a conservation lab and a unique wealth of archival audio-visual material available to co-producers at very favourable rates. The NFB can bring financial, technical and creative resources to every project, depending on its requirements, thereby offering a number of benefits to independent co-producers.

Co-productions create opportunities to develop promotional strategies and marketing plans designed to ensure maximum visibility of each project in its target market. The NFB has a specialized team that works closely with partner producers to ensure that the critical launch phase of a project is successful.

NFB co-productions benefit from a distribution network that is well-established in the educational, institutional and consumer markets. On-line sales boutiques and toll free customer service in Canada and the U.S are also offered.

Point-of-view social documentaries and auteur animation produced in the private sector rarely receive the kind of national and international distribution that the NFB can provide.

The NFB is the most important Canadian distributor and sell directly over thousands of DVD annually. Co-producers can negotiate shared distribution rights with the NFB, tailored to the interests of the each project and co-producers' expertise with certain markets.

Finally, thanks to framework agreements and wide-ranging partnerships with key players in the global audiovisual industry, NFB productions and co-productions occupy an advantageous position on the international scene.

5. Strengthen innovation in content, form and technology.

- **Expected Outcome:**
  Projects innovative in content, form and broadcasting mode, with flexibility for experimentation.
  - **Indicators:**
    - ✓ Number of innovative applications
    - ✓ Recognition in the form of awards won at home and at foreign festivals

The NFB has long had a strong international reputation for the content, style and technical innovation of its productions. It is committed to maintaining that reputation, in part by exploring new avenues such as HD, films for new platforms, and the use of new animation production technologies. The NFB is also committed to exploring innovative distribution strategies – such as the Internet and digital distribution – that promote access to its works.

The past year has been particularly rich in this regard. The NFB is actively engaged in production for new platforms, and is diversifying its distribution revenue streams through the use of new technologies. Through its efforts to promote production and distribution of innovative content for new distribution platforms, the NFB continues to stimulate creativity and once again confirm its position as an international leader in the field.

Number of innovative applications

Filmmakers in residence

The **Filmmaker-in-Residence** project was launched in 2006. It is an unprecedented partnership between the NFB and St. Michael's Hospital, Toronto and has already produced concrete results.Thirty years after the Challenge for Change/Société nouvelle program that inspired it, and fuelled by the digital revolution, a unique collaboration between the two main partners gives filmmaker Katerina Cizek the chance to team up with frontline health care workers and their patients to create audiovisual works that become the agents of social change.

So far, two films were made. The first, *The Bicycle*, accompanies the St. Michael's doctors who began the Dignitas International project in Malawi. Here, she films the community workers as they fight AIDS at the grassroots. To make the second, *The Interventionists: Chronicles of a Mental Health Crisis Team*, Cizek spent dozens of hours with a special team comprising a nurse and a Toronto police officer who respond to emergency calls from people in psychiatric or emotional crisis.

Shorts in Motion

Shorts in Motion –The Art of Seduction is a sparkling anthology of 10 two-minute short films that premiered to universal acclaim at MIPCOM 2006. Presented by CHUM Television's Bravo!Fact, and co-produced by the NFB and marblemedia, this collection of films directed by well-known figures from the worlds of film and other arts, was launched online in mid-October. It won the Best Made for Mobile Video Service Award, given by the prestigious Groupe Spéciale Mobile Association (GSMA).

Innovative and socially engaged content

The NFB is interested in increasing the pool of creators able to take on the challenge of producing innovative content and applications for mobile and broadband technologies. To that end, on the international scene, the NFB agreed in 2006 to sponsor the Innovative New Forms of Socially Responsive Media category in the Content 360 competition. The contest was held as part of MIPTV for the first time. The winning entry, as selected by an international jury led by the NFB's Director General, English Program, received a co-production agreement to develop an animation film on youth creating street art, destined for new platforms. Following the success of this project, the NFB has decided to continue its involvement with the 2007 edition of the competition.

Recognition in the form of awards won at home and at foreign festivals

Film Festivals	**2006-2007**	**2005-2006**
Canadian awards	56	48
International awards	97	95
Total	153	143

Since its founding, the NFB has won more than 5,000 awards, including more than 90 Genie Awards. During 2006-2007, the NFB earned a number of awards which reinforce the Board's reputation for excellence in film. Internationally, the NFB earned more than 97 honours, including its 12th Oscar®, for ***The Danish Poet***. Closer to home, 56 NFB productions won awards at festivals and other events held across Canada. Notably, two co-productions, ***The Danish Poet*** and ***Manufactured*** **Landscapes**, earned Genie Awards at the Academy of Canadian Cinema and Television's annual gala film awards presentation – for Best Animated Short and Best Documentary, respectively. In addition, the NFB co-production ***À force de rêves*** won the Jutra Award for Best Documentary. On the television side, eight NFB productions and co-productions were nominated for Gemini Awards in six different categories. ***House Calls***, directed by Ian McLeod, won the prestigious Donald Brittain Award for Best Social/Political Documentary Program, while the NFB's ***Being Caribou*** won the Gemini for Best Science, Technology, Nature, Environment or Adventure Documentary Program. Meanwhile, cinematographer François Dagenais received the Gemini for Best Photography in a Documentary Program or Series, for his work on the NFB co-production ***No More Tears Sister***. The NFB had nine nominations in eight categories at the 21st annual Prix Gémeaux – the French equivalent of the Geminis – winning three of the prestigious awards. It is also worth noting that in 2006-2007 the NFB film ***Wapos Bay: There's No "I" in Hockey*** won the Canada Award, given out each year for excellence in mainstream television programming that reflects the racial and cultural diversity of Canada. This marks the third consecutive year in which the NFB has been honoured with this prestigious award.

In addition to winning prizes for its new productions, the NFB continues to earn awards for classic audio-visual works as well. The NFB series ***The Champions*** was honoured at the Audio-Visual Preservation Trust of Canada's MasterWorks ceremony on October 26 in Toronto. The MasterWorks is their signature annual event that promotes both the achievements of Canadian creators and performers in film, television, music and radio, and the importance of preserving Canada's AV treasures.

6. Maintain the development of international co-productions.

- **Expected Outcome:**
  Number of national and international co-productions maintained.
  - **Indicators :**
    - ✓ Evolution of co-productions
    - ✓ International agreements

Expected Outcome:
Number of national and international co-productions maintained.

The NFB continues to bring excellent Canadian films to the international stage through international co-productions, partnerships with the world's great festivals and markets, and innovative cooperation agreements with various governments and other organizations. Major partnership framework agreements with key international players in the audio-visual sector give the NFB's Canadian private sector co-production partners a privileged international position. Over the last several years, the NFB has worked to increase its international partnerships. It successfully continued these efforts in 2006-2007.

Indicators :

Number of International Co-productions

In order to capitalize on the globalization of markets and to increase its international reputation, the NFB is placing a focus on developing international co-productions. This year, five works produced by the NFB included one or more international public or private sector partners. The resulting films – including Killer's ***Paradise*** and ***La planète blanche*** – are the products of these fruitful partnerships. The number of international co-productions was down slightly this year, from seven to five. This decline is a reflection of current realities in the Canadian film industry, which has seen an overall decrease in international co-productions – due in large part to regulatory and political changes in Europe and the UK, which have made it harder to enter into official co-productions with Canada.[5]

International Partnership Agreements

As the agreement between the National Film Board and the Audio-Visual Secretariat of Brazil's Ministry of Culture begins to bear fruit, it is demonstrating the potential of cooperation agreements between institutions that share common goals. This year, representatives from the signatory parties met in Canada, during the Toronto International Film Festival. A documentary

[5] Nordicity Group, *Profile 2007: An Economic Report on the Canadian Film and Television Production Industry, Ottawa*, February 2007.

co-produced by the NFB, Discovery Canada and the Brazilian company GrifaMixer is currently in production, and four co-production projects have gone into development following a call for proposals that went out from the Development Fund created by both parties to the agreement. Finally, as part of the "Technological Development and Training" portion of the agreement, two young Brazilian animators came to Canada to participate in the **Hothouse 4 2007** program – led this year by Torill Kove, director of ***The Danish Poet***.

It is in this same spirit that the NFB signed a cooperation agreement with the Media Development Authority of Singapore and the Singapore Film Commission this year. The agreement covers co-productions, training and technological development.

Program Activity 2: Distribution of audiovisual works

The NFB's mandate includes distributing its products as widely as possible to Canadian and foreign audiences. Using the means of the marketplace to reach its audiences the NFB maximizes its revenues. This activity regroups the NFB's commercial distribution skills and capacity. The "distribution" activity includes: commercializing its audiovisual catalogues and well established stock shot library; developing and diversifying markets for NFB products in Canada and abroad; repackaging for specific markets; offering quality client service delivery; expanding its holdings through acquisitions or partnership agreements; and undertaking market research.

Through its distribution activities the NFB develops strategic cooperations with the public and private sectors in Canada and abroad to make its collection accessible to all Canadians and worldwide film viewers.

2006-2007 DPR (according to PAA)	
Program Activity 2	**Priorities**
Distribution of audiovisual works.	1. Increase revenue from the NFB's collection and optimize pre-sales and sales. 2. Offer expert knowledge and NFB distribution networks to private and public sectors.

Financial Resources (thousands of dollars)

Planned Spending	Total Authorities	Actual Spending
2,370	2,391	3,134

Human Resources

Planned	Authority	Actual
45	45	49

Priorities

1. Increase revenue from the NFB's collection and optimize pre-sales and sales.

- **Expected Outcome:**
  Higher sales and revenue for all NFB markets and territories.
  - **Indicator:**
    - ✓ Sales, pre-sales and distribution revenue

Expected Outcome:
Higher sales and revenue for all NFB markets and territories.

NFB sales for 2006-2007 totalled $6.630 million, a significant drop from the sales of $8.882 million recorded during the previous fiscal year. While sales for this past year are slightly lower than projected at the start of the fiscal year, they are in line with results from the last five years. 2005-2006 was an exceptionally strong year for sales, driven by excellent results in the institutional and television markets – the result of several unique major sales and the signing of important agreements during the period.

It should be noted that distribution activities generated revenue of more than $5.338 million, and that nearly $1.18 million was redistributed to the NFB's commercial partners, most of whom are in the Canadian independent film sector.

Indicator:

Sales, pre-sales and distribution revenue

Distribution revenues	**2006-2007**	**2005-2006**
Television	$1, 315,280	$2, 005,950
Theatrical	$61,796	$292,636
Institutional et educational	$2, 405,130	$2, 780,251
Home video	$1, 040,531	$1, 179,053
Stockshots	$515,605	$681,946
Total	$5, 338,342	$6, 939,836

Consumer and Institutional Markets

The Canadian institutional sales team produced excellent results, with revenue of $1.832 million. This figure far surpasses average revenue from previous years. Results from the Canadian consumer market were also very good, thanks largely to the growing availability of NFB productions on DVD, as well as to well-targeted promotional campaigns. This market resulted in revenue totalling $686,000. The European consumer market saw similar positive results, with revenue totalling $154,717 – more than double that of the previous year.

Television Markets

Television markets have been in flux throughout North America. There is uncertainty over the arrival of High Definition technology, as well as the ongoing segmentation of the viewing audience. These factors had an effect on the NFB's Canadian television revenue, which was down 18%, to $421,000, from 2005-2006. Revenues from the United States and Latin American markets were also down, totalling $489,000 – a 19% decrease. In addition to the above-mentioned market factors, the decline in the NFB's television revenue is also due in part to a lower number of new titles available, and to the NFB's rights in those titles (NFB production vs co-production vs acquisition).

Stockshots

Revenues from NFB stockshot sales amounted to $515,605, a drop of 32% compared to the previous year. As in past years, this revenue came primarily from Canadian sources (89%). The drop can in part be attributed to the labour conflict between the Canadian Film and Television Producers Association (CFPTA) and the Alliance of Canadian Cinema, Television and Radio Artists (ACTRA), as well as to the Canadian Television Fund crisis. These events led to caution among many Canadian producers, with resulting decreases in production budgets and postponed productions. The digitization of the NFB's stockshot library may lead to increased sales in 2008-2009.

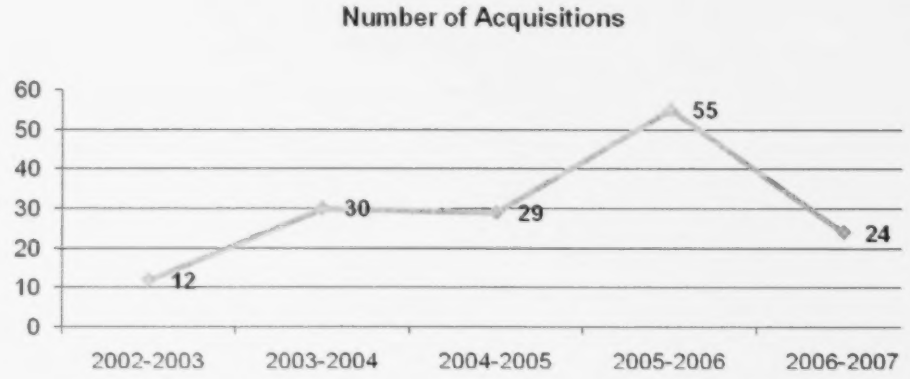
Theatrical Distribution

Revenues from theatrical distribution were also lower in 2006-2007, dropping to $63,000 from $293,000. It should be noted that this difference largely results from the correction of an error reported by one of the NFB's co-producers, which distorts revenue comparison for the two years. Revenues of $92,000 accounted for in 2005-2006 have been accordingly corrected downwards. This correction is reflected in the figures for 2006-2007.

Offer expert knowledge and NFB distribution networks to private and public sectors.

- **Expected Outcomes:**
  Acquisition of more productions that complement the NFB catalogue.
  Stronger NFB branding in distribution.
  - **Indicators**
    - ✓ Quarterly number of audiovisual production acquisitions and their economic benefits
    - ✓ Progress in developing new online tools for clients in the consumer market

Expected Outcome:
Acquisition of more productions that complement the NFB catalogue.



The NFB's acquisition policy aims to acquire distribution rights for Canadian and foreign documentaries and animated films (single productions and series). In this way, the Film Board gives producers in the Canadian and foreign private sectors the opportunity to benefit from its know-how regarding distribution of social documentaries, experimental works and animated films.

Indicator:

Quarterly number of audiovisual production acquisitions and their economic benefits

Acquisitions	2006-2007	2005-2006
Acquisitions	24	55
Net Revenues	$546,000	$556,000

The year 2005-2006 was a record year for audio-visual acquisitions. The 2006-2007 fiscal year saw a return to numbers more in line with the average of the last five years. Acquisitions dropped by more than 50% in 2006-2007, largely because of a much lower number of multi-title series. Titles acquired by the NFB during the year generated net revenue of $546,000, after producer royalties had been remitted and distribution costs deducted.

Expected Outcome:
Stronger NFB branding in distribution.

The NFB mandate specified that the Office not only has the responsibility of producing but also distributing films designed to interpret Canada to Canadians and to other nations as well as promoting the production and distribution of such work. In order to fulfill its role of public distributor, it is important for the NFB to offer to the Canadian cinematographic industry members a strong NFB branding in distribution.

In the past, all the commercial distribution capabilities were grouped under one direction. The direction's first objective is to maximize the sales and revenues of the NFB and its partners. Several measures have been taken to strenghten the different components of the NFB's distribution network at home and internationally.

Indicator :
Progress in developing new online tools for clients in the consumer market

The NFB's primary online sales tool, the online NFB Store, was completely overhauled in 2006-2007 to serve consumers more effectively and efficiently by meeting their needs as well as possible. From now on, the NFB's collection will be accessible via just a few clicks. In addition, the introduction of customer relationship management software will allow the NFB to offer better targeted online promotions, in an effort to improve customer service.

Program Activity 3: Access to audiovisual works and outreach development

The "access and outreach" activities are undertaken to connect Canadians with relevant media resources to foster citizen engagement through lifelong learning. This is achieved by increasing the presence and use of primary and secondary materials from the extensive NFB collection in various learning channels and creating new networks where none exist; enabling media literacy for all Canadians; and encouraging Canadians to make full use of the collection.

Part of the Access and Outreach activity consists of ensuring the on-going access to the NFB collection through management of the collection- conservation, indexing, and cataloguing and restoration, and making it more accessible for future generations through innovative use of new technologies and partnerships, such as on-line film libraries, on-line learning centres for schools, digital consultation centres.

Outreach activities, which include consultation centres and cinemas in Montreal and in Toronto, collections in 49 partner library systems in all regions of Canada, regular public screenings from coast to coast , a membership program with over 10,000 active members, in Canada, on-line film libraries, workshops for the public young and old, as well as master classes and a comprehensive web site which integrate interactive productions, opportunities for dialogue and knowledge sharing serve to identify, establish, build and sustain deep and continuing relationships Canadians in communities across Canada, and secondarily, around the world. These activities serve to strengthen the NFB brand, and alternatively Canadian's knowledge and understanding of Canadians, and Canada's place in the world.

2006-2007 DPR (according to PAA)	
Program Activity 3	**Priorities**
Access to audiovisual works and outreach development.	1. Enhance, promote and increase the conservation of and equitable access to the NFB collection, in new emerging digital formats. 2. Achieve greater reach across Canada and into communities. 3. Increase NFB visibility in communities, on television and in learning channels. 4. Increase branding opportunities in Canada and abroad.

Financial resources in thousands of dollars

Planned Spending	Total Authorities	Actual Spending
11,726	14,284	12,608

Human Resources

Planned	Authority	Actual
110	110	122

Priorities

1. **Enhance, promote and increase the conservation of and equitable access to the NFB collection, in new emerging digital formats.**

   - **Expected Outcome:**
     Improved access to the NFB collection through its various activities and offerings, particularly the mediatheques and other resources; continued digitization of the NFB collection.

     - **Indicator:**
       - ✓ Use of NFB titles by the organization's partners, particularly the number of films lent out by partner libraries

Expected Outcome:
Improved access to the NFB collection through its various activities and offerings, particularly the mediatheques and other resources; continued digitization of the NFB collection.

To provide access to its films and videos in all provinces and territories, the NFB has established a wide distribution network including partners in both the public sector (public and school libraries) and private sector (distributors, cataloguers, movie theatre chains, video retail outlets, etc.). NFB films are often aired by conventional and specialty broadcasters alike, and Canadians can also purchase NFB products seven days a week from the virtual catalogue on the NFB Web site or by calling a toll-free number, 1-800-267-7710 (Monday to Saturday). The ultramodern mediatheques in Montreal and Toronto provide access to thousands of titles in the NFB collection.

Indicators:
Use of NFB titles by the organization's partners, particularly the number of films lent out by partner libraries

NFB Storefronts

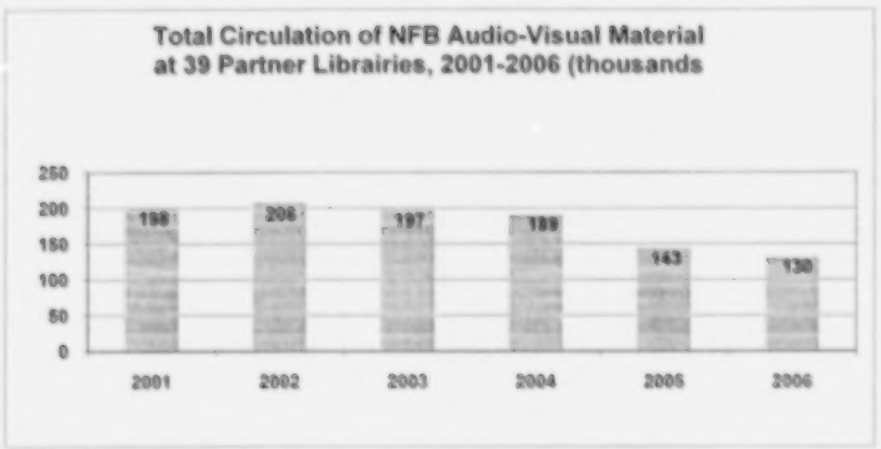
NFB's showcases in Montreal and Toronto, the CineRobotheque and the Mediatheque together welcomed over 210,000 visitors this year and also organized and participated in many extra-mural activities.

In Montreal, 106,369 people visited the CineRobotheque, which confirmed its dynamic role at the heart of cultural life by its close association with large scale events such as the first World Out Games, the Fête des enfants and the Montreal Highlights Festival. Among the 378 new titles in its collection (now over 9,000 strong), *The Danish Poet* was by far the most popular, with 1,587 individual screenings. Weekend workshops and screenings for the celebrations of the animation studios' 65th birthday were all sold out. Staff added four new film workshops to the existing program, which attracted a record 22,326 participants.

Toronto's Mediatheque surpassed its objectives and welcomed 105,110 visitors. With its reputation for children's workshops it became a partner of the Canadian Opera Company as part of the project Animate the Opera. This was a video compilation of the productions of over 150 Toronto region students and teachers, presented at the opening evening of the Four Seasons Centre for the Performing Arts in front of more than 1,000 people. The Mediatheque's partnerships with the Historica Foundation, the national video competition *Racism. Stop it!* and the Viewfinder's International Youth Film Festival also allowed it to give a series of children's and youth workshops all over the country and even in Denver, U.S., on the occasion of the McLaren film screenings at the Starz Denver Film Festival.

People living outside Montreal and Toronto have access to NFB services through the Office's website at www.nfb.ca and through the 1-800-267-7710.

Librairy Partnership Agreements



One of the means by which NFB titles are distributed to Canadians is through public libraries. To facilitate access to NFB productions, the Film Board has contractual relationships with 49 library partners. Of these, 40 partners receive free copies or "allocations" of selected new productions. In many cases, library partners also purchase copies from the NFB's Distribution Branch to augment their collection. The library partners lend items in their audio-visual inventory to the public in much the same way as they lend books. In some cases, the library partners also organize screenings of NFB titles for the public.

A recent study revealed that Canadians are borrowing less and less of the NFB's audio-visual material housed with its library partners. For the year 2006, for example, 34 of the 49 partnerships reported a decline in borrowing of NFB titles from their inventory, relative to the previous year. Moreover, all these partnerships indicated that the change in 2006 formed part of a trend decline over several years. This drop is due to the fact that, in the past, the NFB provided VHS versions of its films. Now, the films are provided in DVD and a solution for replacing all VHS copies hold by librairy partners is being studied.

This said, the decline in the circulation of NFB titles should be placed in context. Several libraries said that this decline occurred also in non-NFB titles. This decline is attributable to the large inventory of VHS copies in many libraries, the on-going replacement of VHS players by DVD players, and the consequent reluctance of library users to borrow VHS copies.

Digitization

DIGITAL VAULT (digitalization, image processing and encoding audio, video and Web)	2006-2007	2005-2006
Digital film scanning in MPEG2	1,405	1,620
Digital film scanning in MPEG4	1,301	1,347
Digital stockshots scanning for the Web	926	517
Digital film scanning for the Web (Note[6])	1,027	271
Digital film scanning for iPods	59	12
Total images	**4,718**	**3,767**

The NFB has considerably improved accessibility to its collection by digitizing its films. The Canadian Memory Fund has assisted in the digitization of the collection as well as in the DVD replication process in order to increase the number of DVD titles available for sale. To this day, more than 4,718 film titles or extracts have been digitized. In the last year, a number of prestigious DVD compilations have been developed in order to make the Canadian cinematographic heritage more accessible to a larger public. The most popular one in 2006-2007 was the Norman McLaren compilation.

2. Achieve greater reach across Canada and into communities.

- **Expected Outcome:**
  Better citizen participation through public screenings and other appropriate means
  Enhanced quality visibility for the NFB and its productions on television, in festivals and schools, during industry activities and with the federal government.
  - **Indicators**
    - ✓ Audience indicators for NFB productions
    - ✓ Social impact of NFB productions, case by case

[6] *Note: Including the Canadian Memory Fund, Learn Alberta and World War I.*

Expected Outcome:
Better citizen participation through public screenings and other appropriate means.

Maintaining the NFB's presence in people's lives remains a constant challenge requiring renewed efforts. To rekindle and enhance our relationship with Canadians, the NFB focused on projects aimed at facilitating access to its collection and encouraging dialogue with citizens. New production and multimedia distribution technolgies are enabling the NFB to take up this challenge.

Indicators:

Audience indicators for NFB productions

Public Screenings

Public Screenings	**2006-2007**	**2005-2006**
Screenings (Commercial, Repertory and Community Theatres)	2,435	2,500
Viewers at Public Screenings	145,941	154,563

Public screenings of both French and English NFB films take place in a variety of communities across the country. Often, these screenings are followed by a question-and-answer period with the director, or a discussion involving community participants. Films may be shown in the context of a series organized by a partner group (for instance, the City of Montreal's network of Maisons de la culture), or as part of particular community events. This year, NFB films were seen by more than 145,941 people at 2,435 screenings organized by the NFB or its partners. From 2002 to 2006, 5,769 public screenings have been held, drawing a total audience of 782,335.

Throughout the summer and fall of 2006, a series of community screenings of NFB films depicting Inuit life was organized through a partnership with the Qikigtani Inuit Association and with the support of the Government of Nunavut's Department of Culture, Language, Elders and Youth. The goal of the community screenings was to not only make the films known and accessible to the Inuit, but also to record community response and to identify some of the unnamed people on-screen with the help of the audience. Several of these films had never been seen in the region before and many elders recognized their parents or childhood friends. Hunting scenes and images of the people and ways of living on the land were the most popular with all age groups in the Nunavut communities of Iqaluit, Cape Dorset and Pond Inlet. Screenings in attracted a combined audience of over 300. Over 20 individual films were screened including both classic and new productions.

Last year, the NFB participated for the first time in the Rendez-vous de la Francophonie, with 32 free screenings in 19 Canadian towns. This year the NFB organized 86 screenings in 33 towns in all the territories and provinces of Canada. Remarkably, 90% of the screenings (76) took place outside Quebec.

Television

TV Audience	2006-2007	2005-2006
Television Broadcasts	1,218	1,484
TV Viewers	6,781,000	5,948,000

In 2006-2007, 6,781,000 viewers saw one of the 1,218 television broadcasts of NFB films, an increase of 14% over the previous year. This year, the NFB acquired new software to assess the increasing audiences for specialized channels.

Institutional

The NFB is currently creating a methodology that will allow it to track the number of people who screen NFB films sold to the educational, cultural, community, hospital and other health-care, and home consumer markets. In 2006-2007, gross revenue from Canadian institutional sales grew by 2.4% compared to the previous year, totalling $2,073,429. Global home consumer sales amounted to $747,765, a drop of 2.5% compared to 2005-2006.

Expected Outcome:
Enhanced quality visibility for the NFB and its productions on television, in festivals and schools, during industry activities and with the federal government.

Festivals

Film festivals	2006-2007	2005-2006
Canadian festival participation	68	72
Films screened at Canadian festivals	380	336
International festival participation	282	364
Films screened at international festivals	463	519

The NFB has distinguished itself at numerous festivals both in Canada and abroad. Between 2002 and 2006, the NFB has received, on average, 150 awards and participated in 390 festivals per year, either in official competition or in non-competitive special events. Presenting NFB films at festivals gives visibility to local artists across Canada and throughout the world.

Educational sector

Through distribution and network expansion strategies, the NFB has become more firmly rooted in the education sector. The NFB offers its productions to educational publishers for inclusion in their catalogues. The NFB also offers two types of thematic and specialized workshops designed

especially for students. The first are activities scheduled at the Mediatheque and CineRobotheque where visitors from the education sector or the general public explore aspects of the NFB's expertise, such as animation techniques. The second are activities offered by the NFB in conjunction with organized professional events, particularly educators' conferences. Furthermore, in the educational resources section of the NFB Web site, students, teachers, parents, and Internet users who want to explore the NFB world will find a veritable learning forum and have free access to a wealth of tools and resources.

Following the NFB/CBC co-production of *The Weight of the World* / Le *poids du monde*, which deals with the problem of obesity, the NFB and CBC again joined forces to organize the Weight of the World School Challenge. This encourages school discussion of this alarming phenomenon and provides young people between the ages of 9 and 14 with games and information about health and their diet. A Web site and resource kit gives students and teachers free access to relevant educational materials and the opportunity to participate in the Challenge. Over 4,500 teachers and some 500,000 students have responded to the program and taken part in this activity.

Other school-related projects also involved a network of partners: following the success of the Weight of the World Challenge (see Social Impact) and in partnership with CBC Montreal and Jewish Family Services, the NFB launched a new pilot project entitled Stand by Me, about violence and intimidation at school. Classes of around 800 primary and secondary students in six schools watched such films as *Glasses* by Brian Duchsherer and *Bully Dance* by Janet Perlman, after which, using the NFB's guides, teachers initiated discussions around the problem.

Social impact of NFB productions, case by case

Even though the NFB has not done any social impact study of NFB productions, several NFB initiatives and audiovisual works had notable repercussions on the communities targeted by the project or film.

Tales from Bridgeview

As part of a pilot project putting the power of media and storytelling at the service of building community, the National Film Board of Canada and Action for Neighbourhood Change brought a crew of filmmakers, computers and digital cameras to a neighbourhood in Surrey, BC, allowing seven kids from Bridgeview Elementary School to create their own digital shorts under the supervision of Nettie Wild.

Make the Pixels Dance

Thanks to support from the **Canadian Memory Fund** – the Norman McLaren Year offered an opportunity to reach out to up-and-coming artists with the launch of our Focus on Animation site. The **Make the Pixels Dance** contest, which was open to young people ages 9-20, introduced close to 1,000 young Canadians to the art of pixillation, and 170 of them submitted original works made in the spirit of McLaren (and shot over music he created), using digital cameras or cellphones.

I was here –Filmmakers in residence

Filmmaker in Residence, in addition to being an innovative community project, also generated the project *I was here*: seven young women, either pregnant or young mothers and who have all lived on the street, use digital cameras and a personal photo blog to document their everyday lives in Toronto. The remarkable results were turned into a photo exhibition launched in the Toronto town hall in the presence of the mayor.

3. Increase NFB visibility in communities, on television and in learning channels.

- **Expected Outcome :**
  Strong presence of NFB productions in Canada's community and educational distribution networks.
  - **Indicators :**
    - ✓ Attendance at NFB screenings and retrospective
    - ✓ Membership

Expected Outcome:

Strong presence of NFB productions in Canada's community and educational distribution networks.

Indicators :

Attendance at NFB screenings and retrospective

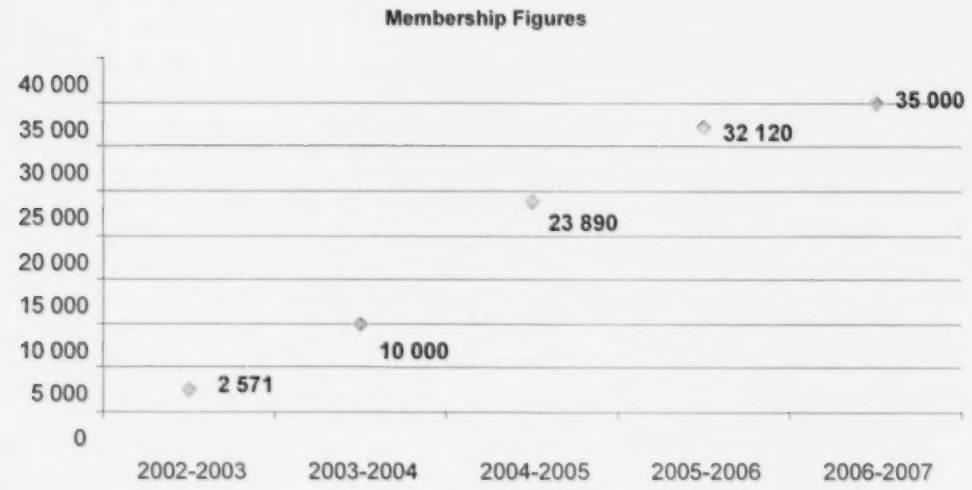
The NFB has entered into a partnership with the City of Montreal to offer in 2006 a new season of 23 free film screenings, including 17 documentaries (many preceded by animated films) and 6 programs for children at the NFB cinema and the following Maisons de la culture: Ahuntsic, Côte-des-Neiges, Montréal-Nord, Notre-Dame-de-Grâce, Plateau Mont-Royal, Pointe-aux-Trembles, Rosemont–La-Petite-Patrie, Saint-Laurent and Verdun–Ile-des-Sœurs. In most cases, filmmakers, artisans, and special guests will be on hand to talk with the audience after each screening. A partnership with YWCA Canada enabled the NFB collection to be promoted within all the member organizations: twelve of them held public and private screenings of NFB films on the occasion of the YWCA's Week Without Violence, which is held in October each year to prevent violence to women.

As part of the national video competition *Racism. Stop it!* organized by Canadian Heritage, introductory video-making seminars for teachers who wanted their students to participate in the competition were devised and delivered by the NFB. The seminars were met with immediate enthusiasm from the participating teachers. This year, the workshops were restructured to provide an additional focus on addressing racism. A total of 17 half-day workshops were given by three highly qualified facilitators to some 250 Grade 5 and 6 and high school teachers across

the country (including three French workshops in Winnipeg, Montreal and Moncton). Some older students also attended the workshops and subsequently served as project leaders for their classes. Two documents produced by the NFB for use during the workshops – the *Facilitator's Guide*, which offers teachers suggestions for dealing with the subject in the classroom, and *Resources for Educators and Students*, a technical manual on video-making – are now available for free on the NFB Web site.

The number of films submitted this year (319), the quality of the ten winning videos (which will be shown throughout the year by CBC/Radio-Canada), and the numerous comments from participating teachers confirm the validity of this approach. The NFB *Facilitator's Guide* and the *Resources* manual are immensely popular with educators and are now used in other contexts, especially in media literacy courses.

Membership



The NFB Film Club membership program entitles NFB enthusiasts who join to receive *Focus*, a quarterly newsletter about NFB activities which in the future will only be available on the Web. Members also benefit from special discount offers on purchases of selected NFB titles, receive invitations to NFB-organized events (premieres, master classes, etc.), and have Internet access to CineRoute. In 2006-2007, the Film Club membership was at 35,000, an increase of 3,000 members in a year.

4. Increase branding opportunities in Canada and abroad.

- **Expected Outcome:**
  Increased press coverage and visibility in the media.

In 2006-2007 Marketing and Communications took a new approach, which improved and enriched NFB relationships with its various partners, to the benefit of Canadians and audiences throughout the world.

The potential of this approach is illustrated by the remarkable success of the many events organized for the **McLaren Year** in Canada and elsewhere. Because of its excellent relations with the Cannes Film Festival, the Film Board was able to kick off these celebrations in May, with the screening of 13 remastered McLaren films as part of Cannes Classics – the first time it admitted animation film. The celebrated animator's entire work premiered in Montreal at the Festival du nouveau cinema. Six Canadian cities welcomed the McLaren retrospective and held several activities: Montreal, Halifax, Calgary, Ottawa, Vancouver and Winnipeg. The international premiere was held at the Pompidou Centre in Paris. In the French capital alone, over 2,500 people attended the screenings and took part in the workshops organized over the event's three weeks. Benefiting from the cooperation of Canadian embassies and cultural centres all over Europe and welcomed by the cultural institutions of the host towns, the McLaren tour then visited London, Milan, Turin, Rome, Brussels and Berlin, giving rise to special events and impressive media coverage. While Canadians were seeing the works for the first time or anew, the Americans were welcoming them with enthusiasm from New York to Los Angeles via Washington, Chicago and Denver – where the Mediatheque specialists gave introductory workshops to children. By the time the tour ended, thousands of people had seen screenings or participated in workshops on the various aspects of the great filmmaker's work.

Program Activity 4: Research and advisory services

The NFB is mandated to "engage in research in film activity and to make the results available" and "to advise (...) in connection with film activities. The "Research and advise" activity applies to research connected to filmmaking and the film industry and conducting technical and development projects to advance the art and science of filmmaking. The NFB has maintained an environment dedicated to excellence and innovation that is conducive to incubating and prototyping new initiatives, industry collaboration, and nurturing new avenues for creativity in the audiovisual form.

2006-2007 DPR (according to PAA)	
Program Activity 4	**Priorities**
Research and advisory services.	1. Maintain, promote and enhance R&D initiatives to reposition the NFB as a leader in the Canadian film industry, along with its partners. 2. Conduct and participate in research and other projects. 3. Collaborate further with the government and other organizations.

Financial resources in thousands of dollars

Planned Spending	Total Authorities	Actual Spending
3,640	3,656	6,847

Human Resources

Planned	Authority	Actual
70	70	95

Priorities

1. **Maintain, promote and enhance R&D initiatives to reposition the NFB as a leader in the Canadian film industry, along with its partners.**

   - **Expected Outcome:**
     Appreciable research and development efforts on techniques and technology in the audiovisual field.

     - **Indicators :**
       - ✓ Development and implementation of an annual research plan
       - ✓ Number of joint research projects and partnerships as a pilot site and incubator of research and development

Expected Outcome:
Appreciable research and development efforts on techniques and technology in the audiovisual field.

Since its earliest days, the NFB has been an incubator for technological and cinematographic innovation – both on a national and international scale. Today, the NFB remains faithful to this tradition, continuing to act as a pioneering organization pushing the boundaries of film. In addition to advising government and industry, the NFB also embraces technical development projects that help advance the art and science of filmmaking. It has created an environment dedicated to excellence and innovation.

Indicator:
Number of joint research projects and partnerships as a pilot site and incubator of research and development

The NFB is a member of the the E-Inclusion Research Network whose goal is to create powerful audio-video tools that will allow multi-media content producers to improve the richness of the multi-media experience for the blind, the deaf , the hard of hearing , and the hard of seeing, by automating key aspects of the multi-media production and post-production processes. Described video (DV) is an oral description of the key visual elements in a film, allowing people with visual impairments to create a mental image in line with the images appearing on screen. The NFB has held four interactive described video listening sessions. The purpose of these sessions was to assess the work underway in developing DV, as well as the impact of DV narration on the appreciation of NFB films. The NFB is curr ntly undertaking a described video research project, which aims to determine what types of information are useful to people with visual impairments.

To create fruitful links with education, the NFB signed partnership agreements in June with UQÀM's École des médias de la Faculté de communication and the Institut national de l'image et du son (INIS). Now, students from both institutions can access the NFB's cutting edge technologies at its Montreal offices. The agreement includes a provision whereby the NFB, INIS and UQÀM will examine the possibility of the NFB offering skills upgrade programs such as master classes for INIS students or postproduction courses for UQÀM students.

2. Conduct and participate in research and other projects.

- **Expected Outcome:**
  The NFB as an enduring benchmark in filmmaking.
  - **Indicators:**
    - ✓ Number of joint research projects and partnerships as a pilot site and incubator of research and development
    - ✓ Evaluation of the significance of requests
    - ✓ Dissemination and use of NFB research results

Expected Outcome:

The NFB as an enduring benchmark in filmmaking.

The NFB contributes to the development of new audiovisual technologies. The extensive knowledge of its technical staff is widely recognized, and is the envy of the organization's domestic and international partners. The NFB's level of technical excellence allows it to assist its many partners in their research efforts in the fields of production, distribution, and collection accessibility. In addition, this wealth of knowledge allows emerging talents to acquire the lasting expertise essential to the development of their careers. The NFB's 12th Oscar®, awarded last year for ***The Danish Poet***, confirms the international reputation for excellence that the Board has forged.

Indicators:

Number of joint research projects and partnerships as a pilot site and incubator of research and development.

Launched in February 2007, the NFB Cross-**Media Challenge** is opened to Canadian independant producers. Inspired by the National Film Board's legendary Challenge for Change program of community filmmaking, the **NFB Cross-Media Challenge is** a co-production

competition for innovative, interactive, socially engaged content with applications for mobile and broadband. The winning project is eligible for a development co-production deal with the NFB and will be announced at the Banff Television Festival in June 2007.

Collaborate further with the government and other organizations.

- **Expected Outcome:**
  The NFB as an enduring benchmark in filmmaking.
  - **Indicator:**
    - ✓ Number of nature of joint ventures with the public sector, and their impact

Expected Outcome:

The NFB as an enduring benchmark in filmmaking.

Partnerships play a key role in the NFB's successful fulfillment of its mandate, while also allowing the Film Board to broaden its field of activity. One of the NFB's strategic goals is to develop partnerships in production, distribution, broadcasting, and training.

Indicator:

Number of nature of joint ventures with the public sector, and their impact

In 2006-2007, the NFB has undertaken several initiatives in collaboration with various partners from the Canadian film industry such as the study The Case for Kids Programming produced in partnership with the Canadian Association of Films and Television Producers. The Board also reinforced its relationship with various federal organizations, such as Telefilm Canada and CBC through initiatives like the IPLOC competition and the Theatrical Documentary Pilot Program. Various partners are associated with the training programs. In the Atlantic provinces there are **AnimAcadie** (NFB, Connections Productions, the French-language television service of CBC Atlantic and Film New Brunswick), open to script writers, and **Inspired** (NFB, CTV, IFC Canada and the Atlantic Film Festival), offering training and production services to emerging documentary filmmakers and following a model similar to that of Ontario's **NFB-TVO Documentary Calling Card**. The success of **First Stories** in the Western provinces and of Quebec's **Wapikoni Mobile** (with Manon Barbeau's Productions les beaux jours) fuelled the creation of **Yukon Vérité**, an NFB/Yukon Film Society mentoring program, as well as the brand new **Nunavut Animation Lab**, which has six other partners as well as the NFB. Another first this year is **Open I**, an NFB digital video mentoring program for young people with a handicap to tell their stories. It is run by disabled filmmakers from the AccessNFB project, instructors from the Pacific Cinematheque and youth counsellors. The NFB also has a partnership with the CFTPA to offer the NFB MediaMakers Mentorship Program which offers on-the-job training opportunities in the film, television and interactive media industry to Canadians with disabilities.

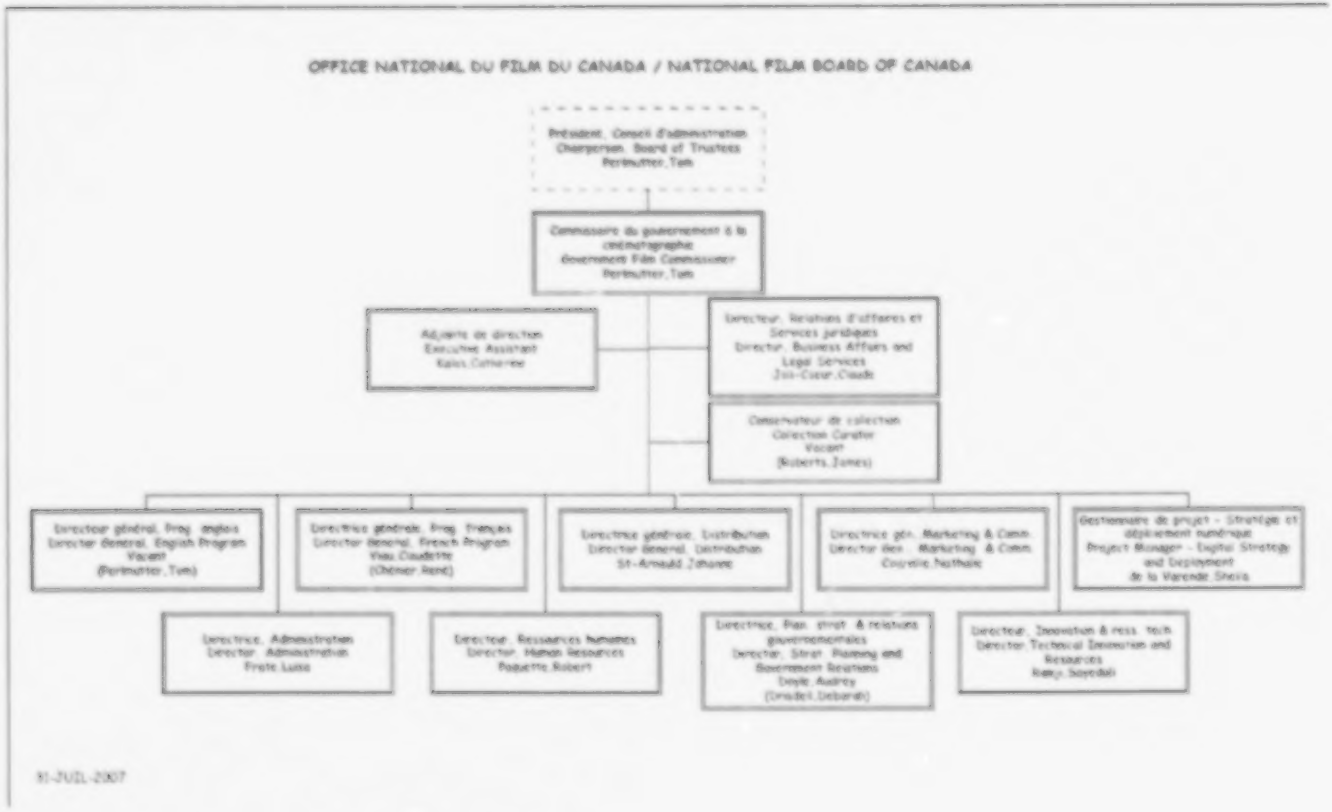
Finally, the NFB was a key participant in the UN-Habitat World Urban Forum hosted by Canada in 2006, 30 years after the Film Board played an equally important role at the first Forum, held in 1976. Participation in the 2006 Forum was spearheaded by English Program, and consisted of seven initiatives, as well as the signature of a Memorandum of Understanding on future collaborations between the NFB and UN-Habitat. In terms of environmental protection, the NFB is an active participant in Greencode, which provides environmental guidelines for media industries. The project brings together a number of partners in the public and private sector, across Canada and internationally.

SECTION III – SUPPLEMENTARY INFORMATION

Organizational Information

The NFB reports to Parliament through the Minister of Canadian Heritage.

Organizational Structure



Management and Administration at the NFB

Governance and Accountability

The National Film Board was established in 1939 through an Act of Parliament. The NFB is governed by the *Film Act* and a series of other statutes, including the *Financial Administration Act*, which sets out the government's financial administration structure and process, and the *Access to Information Act*, *Privacy Act* and *Official Languages Act*.

As a cultural agency of the federal government, the NFB reports to Parliament through the Minister of Canadian Heritage, who has vested in the NFB Board of Trustees the authority to oversee the organization's general operations. The NFB Board of Trustees is responsible for the organization's affairs and plays an essential role in ensuring that federal government policy is properly applied on behalf of the Government of Canada. The Board of Trustees provides leadership and guidance for the organization, offers well-considered, detailed and timely advice, and establishes the organization's general and strategic policy. The Government Film Commissioner is also the NFB's Chairperson. Six members of the Board, representing a cross-section of the Canadian population, bring their expertise to bear in assisting the Board. The Director General of Telefilm Canada is an *ex-officio* Board member.

The NFB has an internal auditor who reports directly to the NFB Board of Trustees, while the Office of the Auditor General (OAG) acts as the NFB's external auditor. Once a year, the OAG examines the NFB's financial statements to ensure they are accurate and in compliance with authorizations.

Priorities

The NFB subscribes to the principles of good governance, responsible management and accountability, and plans to ensure that all its activities meet or exceed the highest standards in these areas. To achieve the above outcomes, the NFB has established the following priorities:

a) Enhance accountability, business practices and information systems.

b) Strengthen accountability, risk management, resource management and governance in the public sector.

The NFB has established a modern corporate culture, and we believe that transparency, good governance and accountability in all sectors of the organization are essential to efficient and effective management.

- The NFB is continuously improving Synchrone, its integrated information and knowledge management system. The position of Information Manager was created in 2005-2006 to promote more effective collection and better use of information available at the NFB.

- Two years ago, the NFB developed new performance indicators to monitor and assess its performance in all activities. In 2005-2006, the organization finalized the financial aspects, and in the coming year will be implementing a series of indicators to track audiences.

- The NFB has established a new Internal Audit Plan, as well as an integrated risk and personal information management framework. The organization has also reviewed the procedures governing delegation of authority, particularly in distribution. We have also completed an internal audit on international coproductions.
- The NFB also reviewed in 2006-2007 its partnership agreements and the NFB activities in short films.

The NFB is making every effort to keep administrative costs as low as possible. In recent years, those costs have successfully been maintained at approximately 10% of the total budget.

Again this year, the NFB made conscientious use of public funds, in line with the highest standards of transparency, good governance and accountability. We ensured that all our activities generate maximum value for Canadians.

LEGISLATION ADMINISTERED

National Film Act, R.S.C. 1985, c. N-8 (most recently amended in 2002)

NATIONAL FILM BOARD OFFICES

Head Office: Ottawa

Operational Headquarters: Montreal

Canadian distribution
- CineRobotheque – Montreal
- Mediatheque - Toronto
- Call Centre (1 800 267-7710)
- Web site (www.nfb.ca)

International distribution
- USA (New York)
- European Office (Paris)

English production centres
- Edmonton
- Halifax
- Montreal
- Toronto
- Vancouver
- Winnipeg

French production centres
- Moncton
- Montreal
- Toronto
- Quebec City

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Tables	Titles	Included / NA
Table 1	Comparison of Planned to Actual Spending (including Full-time Equivalents)	Included
Table 2	Resources by Program Activity	Included
Table 3	Voted and Statutory Items	Included
Table 4	Services Received Without Charge	NA
Table 5	Loans, Investments, and Advances (Non-budgetary)	NA
Table 6	Sources of Respendable and Non-Respendable Revenue	Included
Table 7	Revolving Funds (Statement of Operations, Statement of Cash Flows and Projected Use of Authority)	Included
Table 8	Resource Requirements by Branch or Sector	NA
Table 9	User Fees a. User Fee Act (Template A) b. Policy on Service Standards for External Fees (Template B)	NA
Table 10	Progress Against the Department's Regulatory Plan	NA
Table 11	Details on Project Spending	NA
Table 12	Status Report on Major Crown Projects	NA
Table 13	Details on Transfer Payment Programs (TPPs)	Included
Table 14	Conditional Grants (Foundations)	NA
Table 15	Financial Statements of Departments and Agencies (including Agents of Parliament) and Revolving Funds Financial Statements	Included
Table 16	Response to Parliament, Audits and Evaluations	NA
Table 17	Sustainable Development	NA
Table 18	Procurement and Contracting	NA
Table 19	Citizen-Centred Service	NA
Table 20	Horizontal Initiatives	NA
Table 21	Travel Policies	NA
Table 22	2. Storage Tanks	NA

Table 1: Comparison of Planned to Actual Spending (including FTEs)

(S thousands)	2004–2005 Actual	2005–2006 Actual	2006–2007			
			Main Estimates	Planned Spending	Total Authorities	Actual
Production	46,891	47,337	47,103	47,103	50,890	45,847
Distribution	1,913	1,171	2,370	2,370	2,391	3,134
Accessibility and Outreach	12,325	12,660	11,726	11,726	14,284	12,608
Research and Advice	3,781	3,943	3,640	3,640	3,656	6,847
Total	**64,910**	**65,111**	**64,839**	**64,839**	**71,221**	**68,436**
Less: Non-respendable revenue	-	-	-	-	-	-
Plus: Cost of services received without charge	-	-	-	-	-	-
Total Departmental Spending	**64,910**	**65,111**	**64,839**	**64,839**	**71,221**	**68,436**

Full-time Equivalents	**498**	**498**	**500**	**500**	**500**	**486**

Table 2: Ressources by Program Activity
($ thousands)

2006–2007									
	Budgetary							Plus: Non-budgetary	
Program Activity	Operating	Capital	Grants	Contributions and Other Transfer Payments	Total: Gross Budgetary Expenditures	Less: Respendable Revenue	Total: Net Budgetary Expenditures	Loans, Investments, and Advances	Total
Production									
Main Estimates	49,231	-	-	151	49,382	2,279	47,103	-	47,103
Planned Spending	49,231	-	-	151	49, 382	2,279	47,103	-	47,103
Total Authorities	52,993	-	-	176	53,169	2,279	50,890	-	50,890
Actual Spending	46,508	-	-	170	46,678	831	45,847	-	45,847
Distribution									
Main Estimates	8,217	-	-	-	8,217	5,847	2,370	-	2,370
Planned Spending	8,217	-	-	-	8,217	5,847	2,370	-	2,370
Total Authorities	8,217	-	-	-	8,238	5,847	2,391	-	2,391
Actual Spending	8,217	-	-	6	8,391	5,257	3,134	-	3,134
Accessibility									
Main Estimates	11,853	-	-	99	11,952	226	11,726	-	11,726
Planned Spending	11,853	-	-	99	11,952	226	11,726	-	11,726
Total Authorities	14,374	-	-	136	14,510	226	14,284	-	14,284
Actual Spending	12,934	-	-	136	13,070	462	12,608	-	12,608

2006–2007									
Program Activity	Budgetary							Plus: Non-budgetary	Total
	Operating	Capital	Grants	Contributions and Other Transfer Payments	Total: Gross Budgetary Expenditures	Less: Respendable Revenue	Total: Net Budgetary Expenditures	Loans, Investments, and Advances	
Research									
Main Estimates	3,823	-	-	-	3,823	183	3,640	-	3,640
Planned Spending	3,823	-	-	-	3,823	183	3,640	-	3,640
Total Authorities	3,839	-	-	-	3,839	183	3,656	-	3,656
Actual Spending	6,927	-	-	-	6,927	80	6,847	-	6,847

Table 3: Voted and Statutory Items
($ thousands)

Vote or Statutory Item	Truncated Vote or Statutory Wording	2006–2007			
		Main Estimates	Planned Spending	Total Authorities	Actual
75	Revolving Fund – National Film Board	64,839	64,839	71,221	68,436
	Total	**64,839**	**64,839**	**71,221**	**68,436**

Table 6

(S thousands)	2004-05 Actual	2005-06 Actual	2006-2007			
			Main Estimates	Planned Revenue	Total Authorities	Actual
1. Production	2,467	960	2,279	2,279	2,279	831
2. Distribution	5,260	7,173	5,847	5,847	5,847	5,257
3. Accessibility	321	534	226	226	226	462
4. Research	189	215	183	183	183	80
Total - Respendable Revenues	**8,237**	**8,882**	**8,535**	**8,535**	**8,535**	**6,630**

Table 7: Revolving Funds – Statement of Cash Flows

($ thousands)	2004-05 Actual	2005-06 Actual	2006-2007		
			Planned Revenue	Total Authorities	Actual
Revenues (Parliamentary appropriation)	64,910	65,111	64,839	71,221	68,436
Net expenditures	(64,910)	(65,111)	(64,839)	(71,221)	(68,436)
Surplus (Deficit)	-	-	-	-	-
Add non-cash items:	-	-	-	-	-
Depreciation/amortization	(3,541)	(3,021)	(2,000)	(2,000)	(2,729)
Investing activities:	-	-	-	-	-
Acquisition of depreciable assets	1,856	2,018	2,000	2,000	3,145
Cash surplus (requirement)	(1,685)	(1,003)	-	-	416
Authority:cumulative (draw/down)	11,937	10,934	13,825	13,825	11,350

Table 13: Details on Transfer Payments Programs

Contributions and other Payment Program						
($ thousands)	7) Actual Spending 2004–2005	8) Actual Spending 2005–2006	9) Planned Spending 2006–2007	10) Total Authorities 2006–2007	11) Actual Spending 2006–2007	12) Variance(s) Between 9) and 11)
Production	145	120	151	176	170	(19)
Distribution	-	5	-	-	6	(6)
Accessibility	149	162	99	136	136	(37)
Research	1	-	-	-	-	-
Total	295	287	250	312	312	(62)

Table 15: Financial Statements of Departments and Agencies (including Agents of Parliament)

The NFB prepares an annual report that is tabled in Parliament and includes financial statements that are available electronically by the time the DPR's are tabled in the House of Commons at the following address:

www.onf.ca/publications/en/annualreports/rep2006-2007/ONF_Annual R_06-07.pdf